

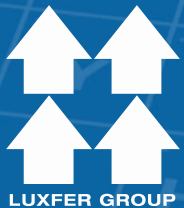
NYSE:LXFR

# Luxfer Group

Oppenheimer Industrial Growth Conference • New York City • May 13, 2014



A global  
materials  
technology  
company



LUXFER GROUP



# FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. Examples of such forward-looking statements include, but are not limited to: (i) statements regarding Luxfer 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 imposed thereby; (v) contractual restrictions on the ability of Luxfer Holdings PLC (Luxfer Group) 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.



# LUXFER PRESENTATION TEAM



**Brian G. Purves**  
Chief Executive

- Chief Executive since January 2002.
- Group Finance Director from 1996 to 2001.
- Prior to 1996, worked 18 years in the UK automotive industry.
- Chartered Management Accountant.
- BSc in Physics and MSc in Business Studies.
- 17 years with Luxfer.



**Andrew M. Beaden**  
Group Finance Director

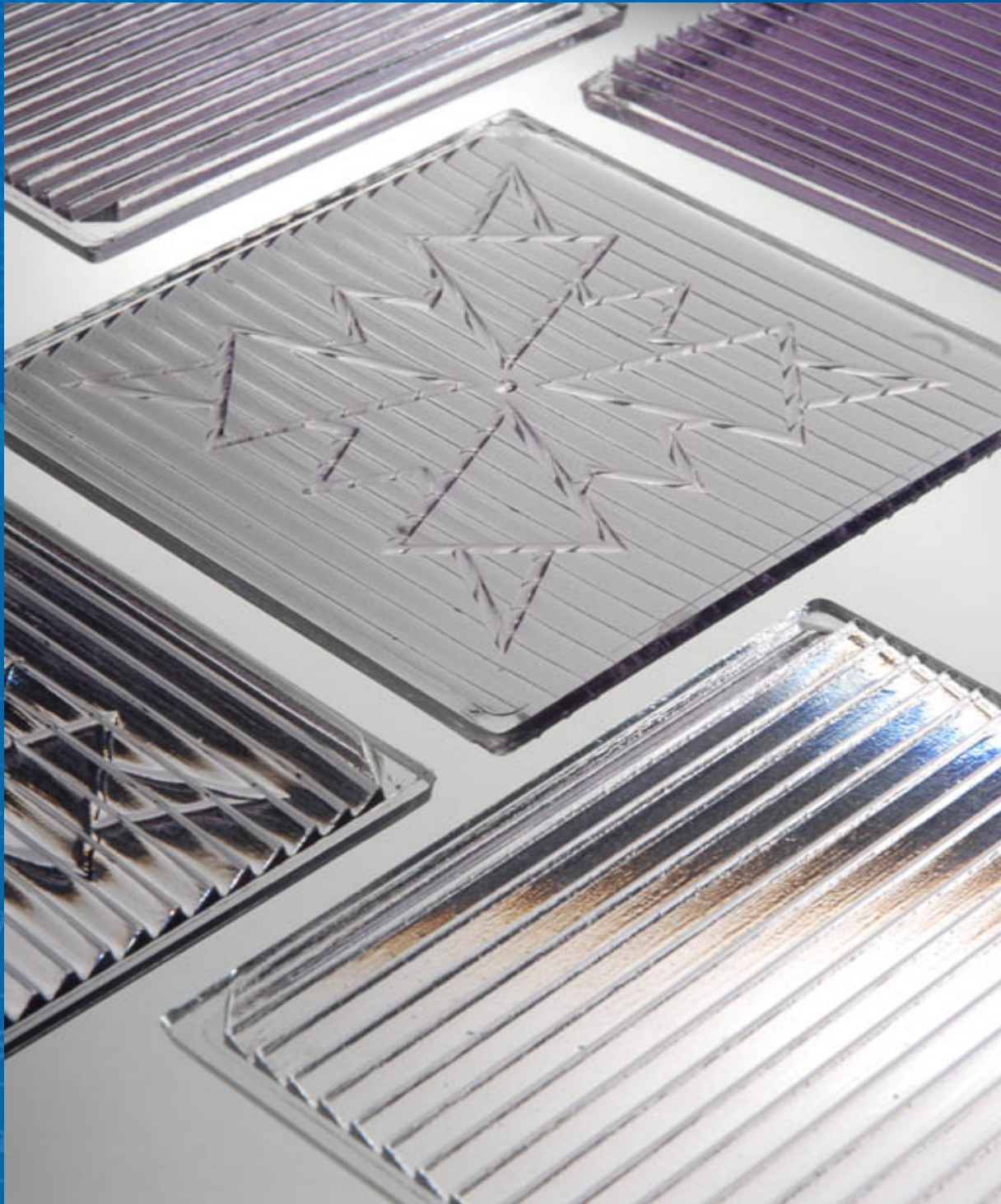
- Group Finance Director since June 2011.
- Executive Management Board since 2006.
- Director of Planning and Finance since 2008 and Group Financial Controller since 2002.
- Qualified Chartered Accountant with KPMG.
- Financial experience with various FTSE 100 PLCs.
- 16 years with Luxfer.



**Peter J. K. Haslehurst**  
Chairman

- **Non-executive Chairman since March 2006.**
- **Non-executive Board Director since 2003.**
- **Over 40 years experience in manufacturing industry as MD, CEO, or Chairman.**
- **Chartered Engineer**
- **Honorary Chief of the Maasai tribe.**
- **Eisenhower Fellow in 1980.**
- **11 years with Luxfer.**





# HERITAGE

Luxfer was founded by Scottish inventor James G. Pennycuik in **1897** in Chicago to produce prismatic glass products to illuminate architectural interiors in North America and Europe. The name **Luxfer** comes from Latin **lux** (light) and **ferre** (to carry), so it literally means “**light carrier.**”

Luxfer prisms tiles are now collectors' items.

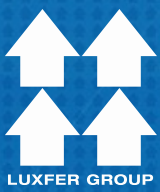


# HERITAGE



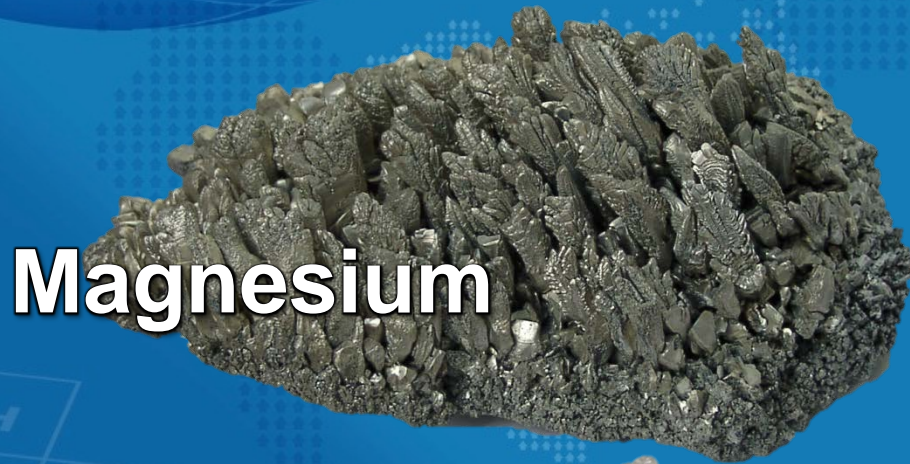
Corkscrew **pickets** for installing barbed wire on World War I battlefields were Luxfer's first **metal products**.





# ADVANCED MATERIALS TECHNOLOGY

Today Luxfer specializes in **advanced** products made primarily from four **materials**:



**Magnesium**



**Aluminum**



**Zirconium**

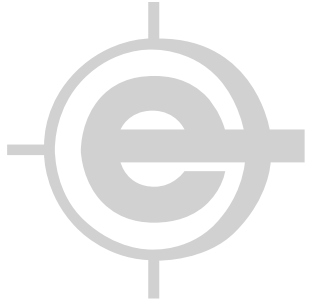


**Composites**





# OUR GLOBAL BRANDS

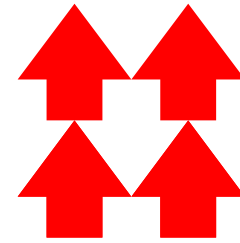


## Magnesium Elektron

SERVICE & INNOVATION IN MAGNESIUM

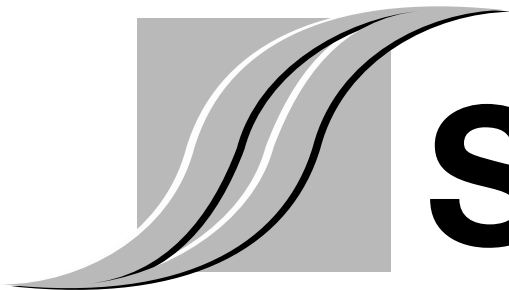


## **MEL** *Chemicals*<sup>TM</sup>



## **Luxfer**<sup>®</sup>

Gas Cylinders



# SUPERFORM





# EXPANSIVE GLOBAL FOOTPRINT

USA □ Canada □ UK □ France □ Czech Republic □ China □ Japan □ Australia □ India □ Germany



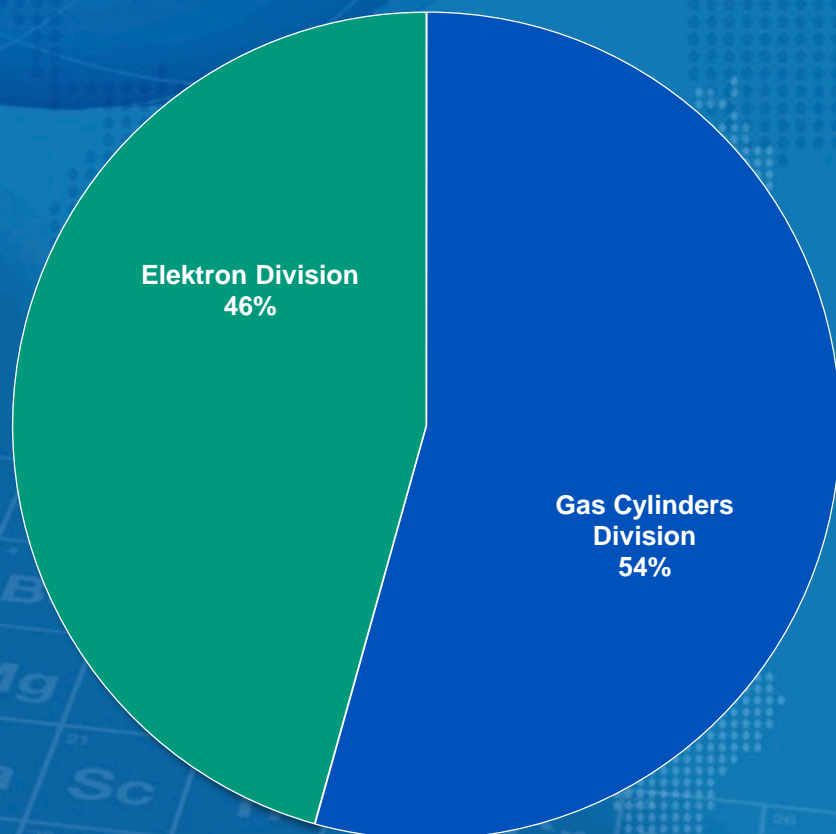
1,750  
employees

*Luxfer is a British company, registered in England, operating 19 plants in 10 countries on 4 continents with JVs and/or distribution centers in 4 more countries.*

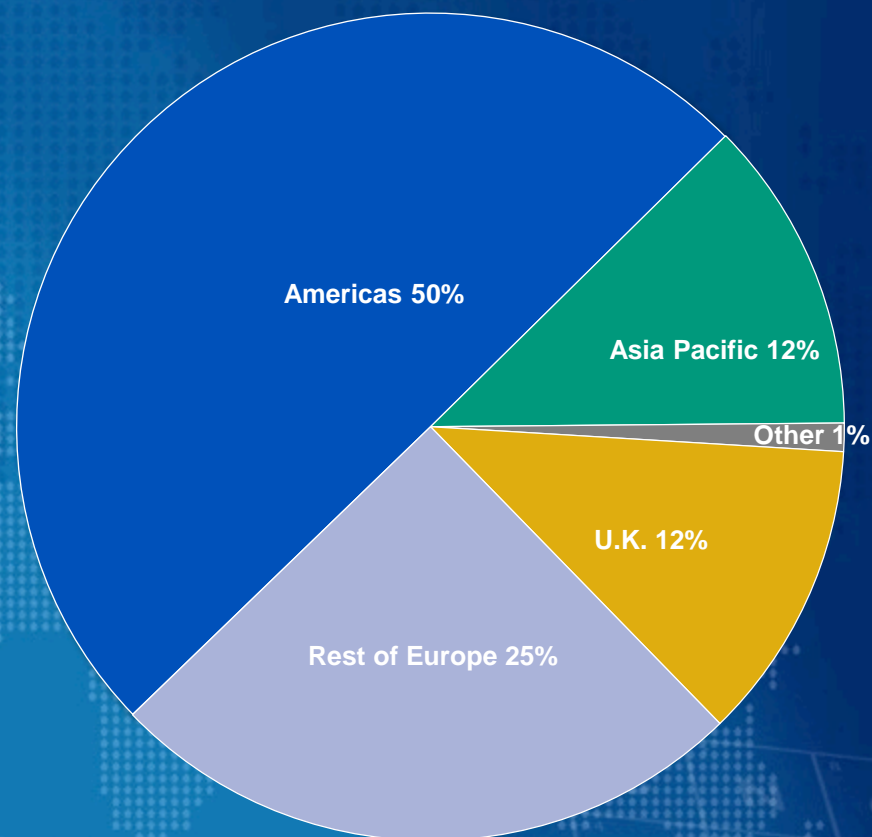


# DIVERSIFIED BUSINESS MIX

## Revenue by business



## Revenue by destination



2013 revenue: **\$481.3 million**

• Adjusted EBITDA: **\$76.6m**



# PRIMARY END-MARKETS

**Healthcare**  
**(10%)**



**Environmental**  
**(43%)**



**Specialty**  
**(23%)**



**Protection**  
**(24%)**







# LONG-STANDING BLUE-CHIP CUSTOMERS



BENTLEY



The Chemical Company



Johnson Matthey

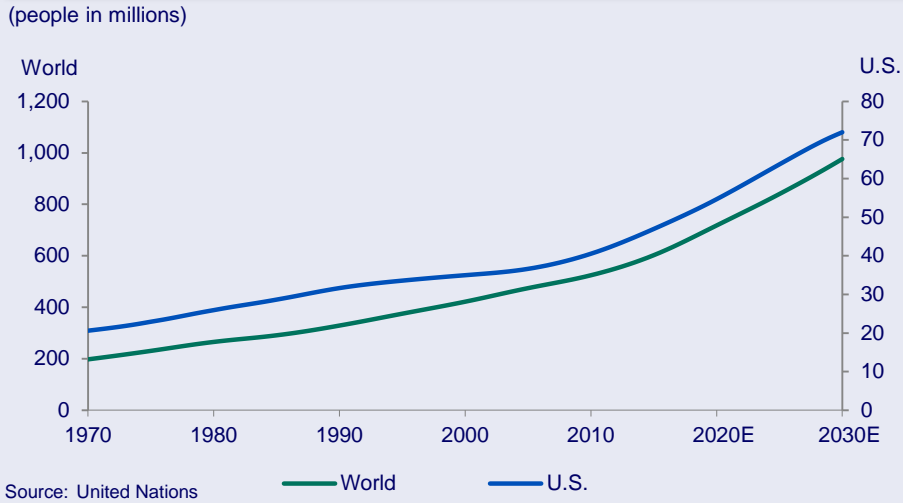




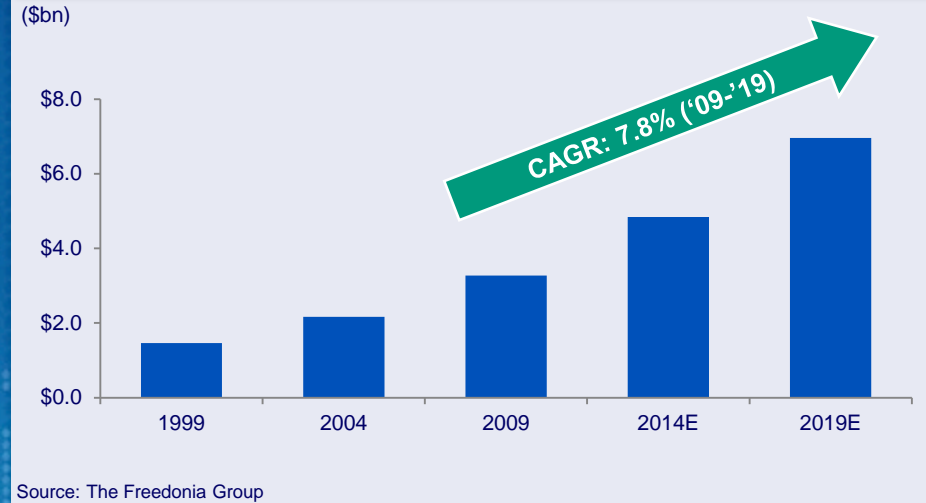
# MATERIAL TECHNOLOGIES FOR HIGH-GROWTH END-MARKETS

## Healthcare

### Population age 65+

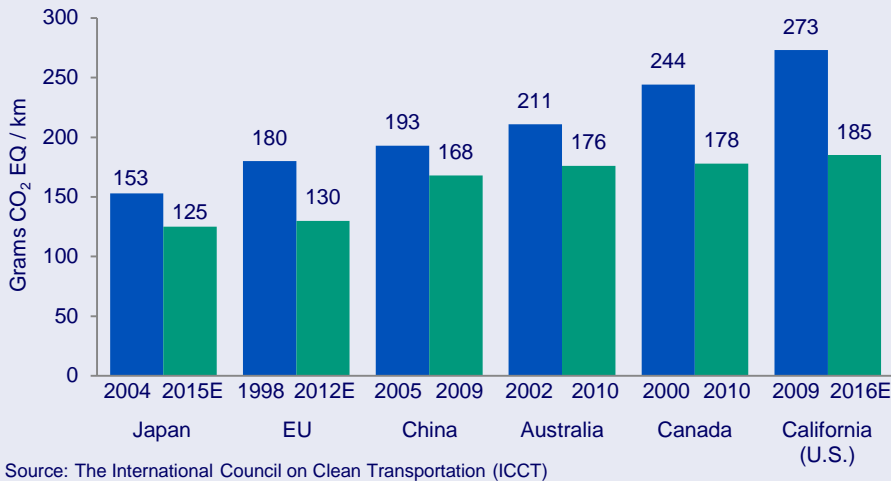


### Medical gas demand

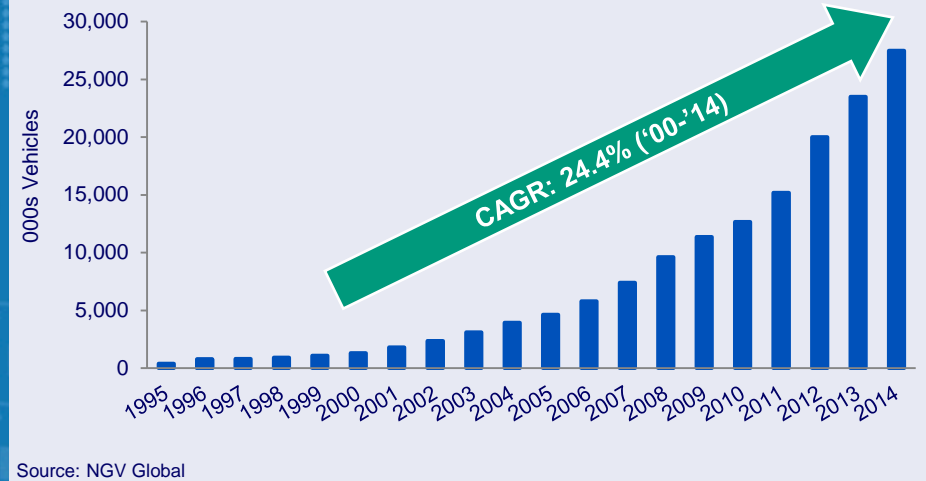


## Environmental

### Emission reduction due to most recent regulation



### Total natural-gas-powered vehicles worldwide





# OUR PRODUCTS

## Magnesium



- Global leader in magnesium **aerospace** alloys.
- Only Western supplier of magnesium **photo-engraving plate**.
- We also make **ultra-fine powders**, **sheet** and **plate**, and **extrusions**.

Magnesium is the lightest-weight structural metal: 2/3 the density of aluminum, 1/4 that of steel.





# OUR PRODUCTS

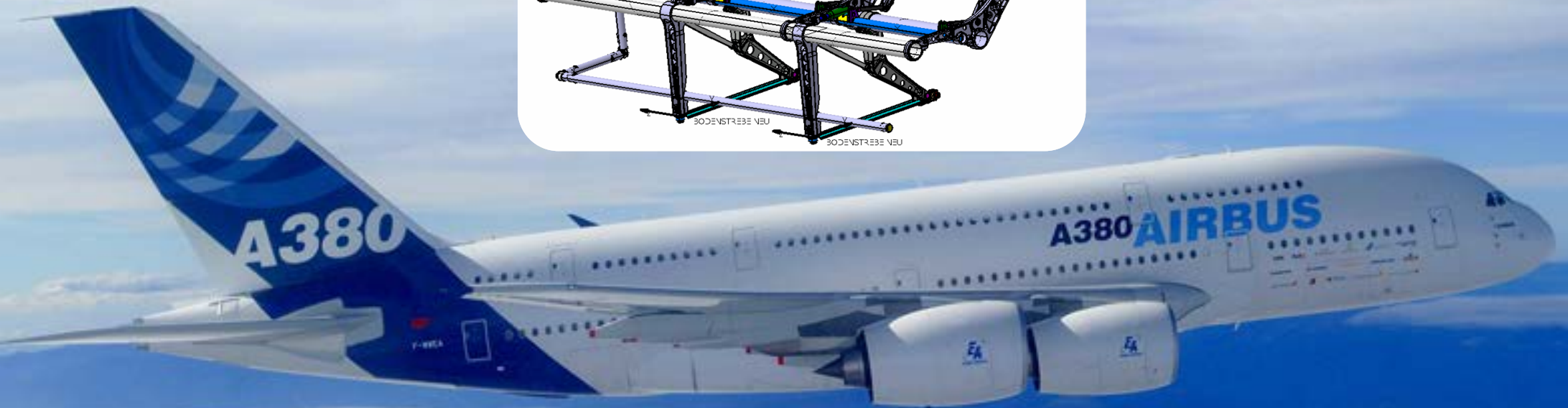
## Magnesium counter-measure flares





# OUR PRODUCTS

*In development*



Magnesium seat-frames for commercial airliners



## OUR PRODUCTS

# Magnesium

Mg

*“With the results of the Magnesium Full Scale Testing and the progress demonstrated in the development of the lab scale test method the FAA would now allow magnesium in aircraft seats providing the requirements and conditions as set out in the Special Conditions are satisfied.”*

*- FAA, June 2013*

Luxfer's **Electron 43** magnesium alloy has **passed all tests** conducted by the FAA Fire Test Working Group.







# OUR PRODUCTS

**Aircraft** EXPO®  
*interiors*

# Magnesium



Luxfer exhibited at **Aircraft Interiors Expo 2014** in Hamburg in April.

**Zim Flugsitz** displayed magnesium parts for seats in their booth.





# OUR PRODUCTS

# Magnesium

**Bio-absorbable magnesium alloys**  
for medical science—now in human trials.





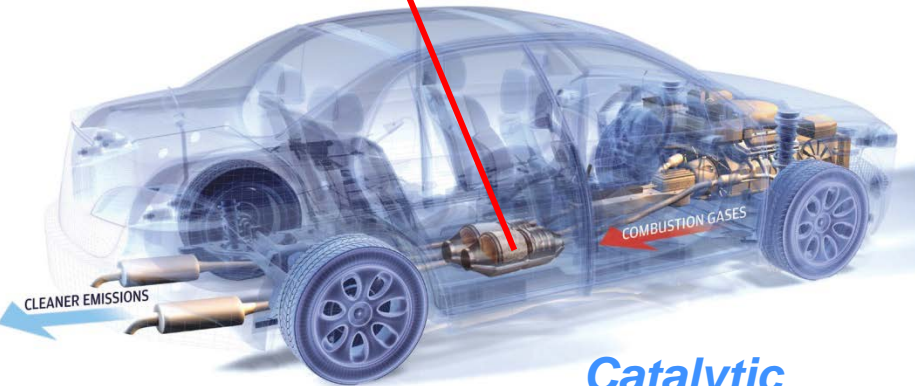
# OUR PRODUCTS

# Zirconium

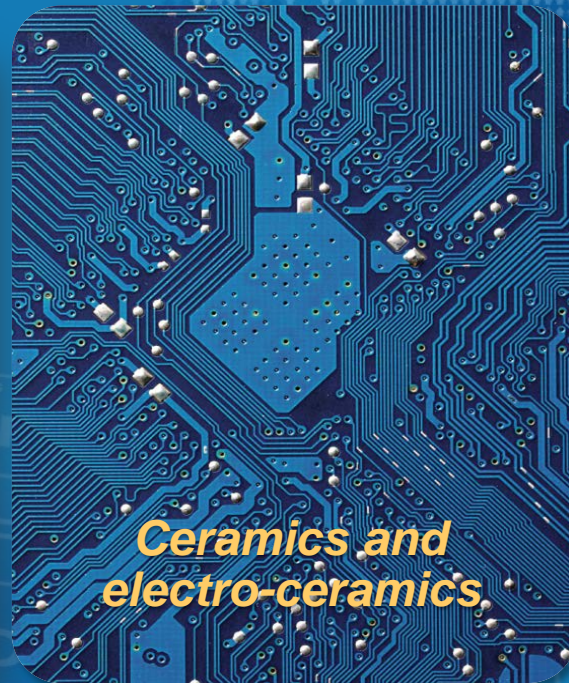


Luxfer is a global leader in development of specialty **zirconium compounds**.

We're a major player in **zirconium-cerium** washcoats for automotive **catalytic converters**.



**Catalytic converters**



**Ceramics and electro-ceramics**







# OUR PRODUCTS

# Zirconium

Zr

Our **sorbent** products are used for industrial **chemical catalysis** and water **purification**.







# OUR PRODUCTS

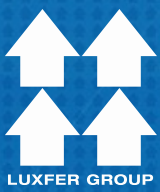
# Aluminum

Al

Luxfer **invented** the high-pressure, extruded **aluminum cylinder**, and we are the **global leader** for this product.







# OUR PRODUCTS

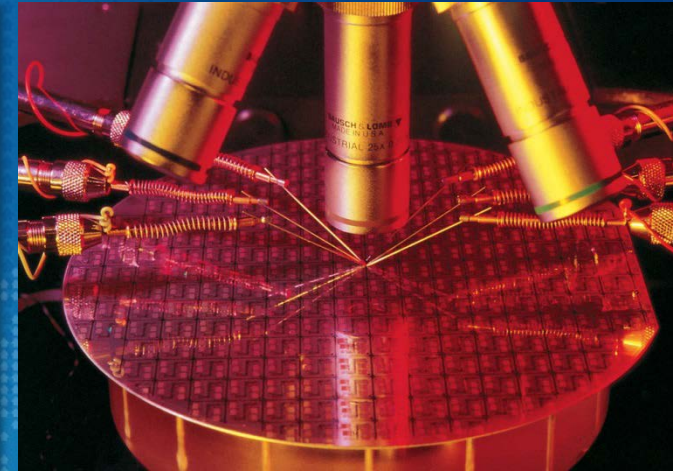
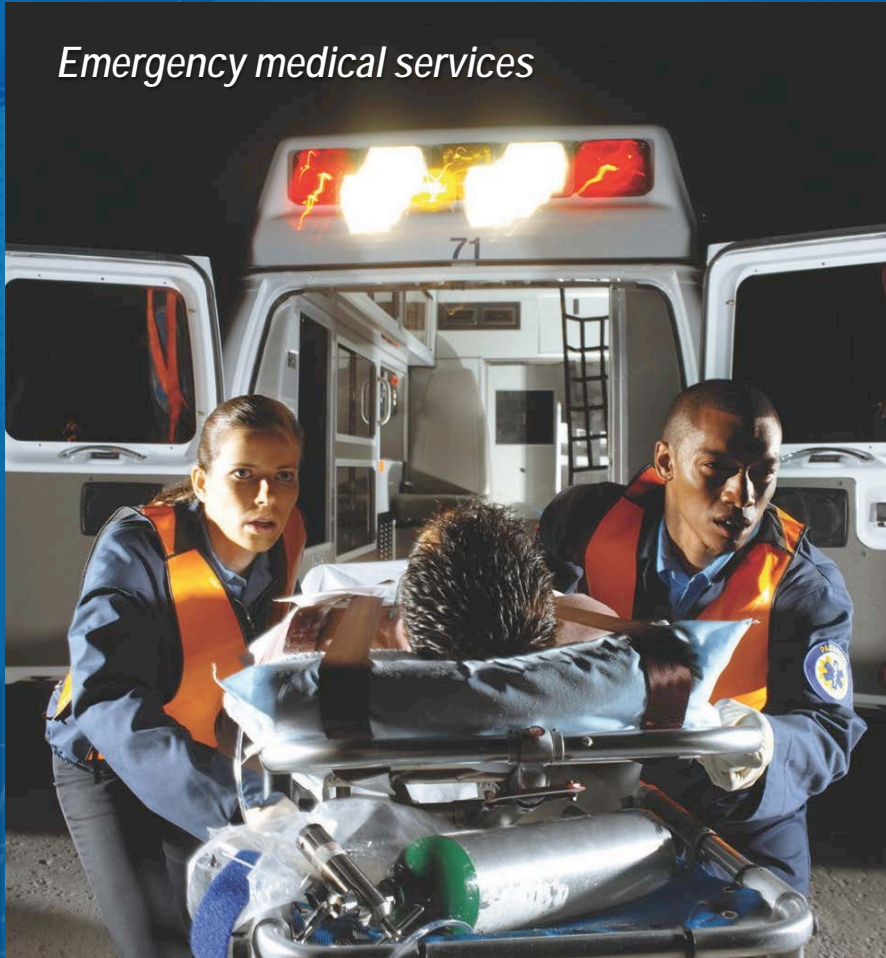
# Aluminum



*Healthcare*



*Emergency medical services*



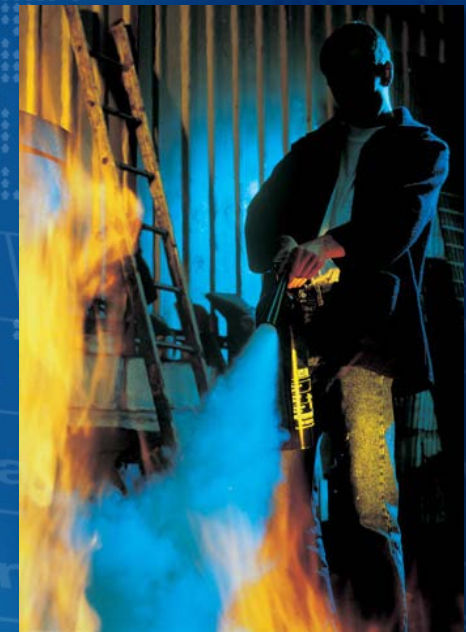
*Microchip & electronics manufacturing*

*Fire extinguishers*



*Scuba diving*

*Beverage dispensing*



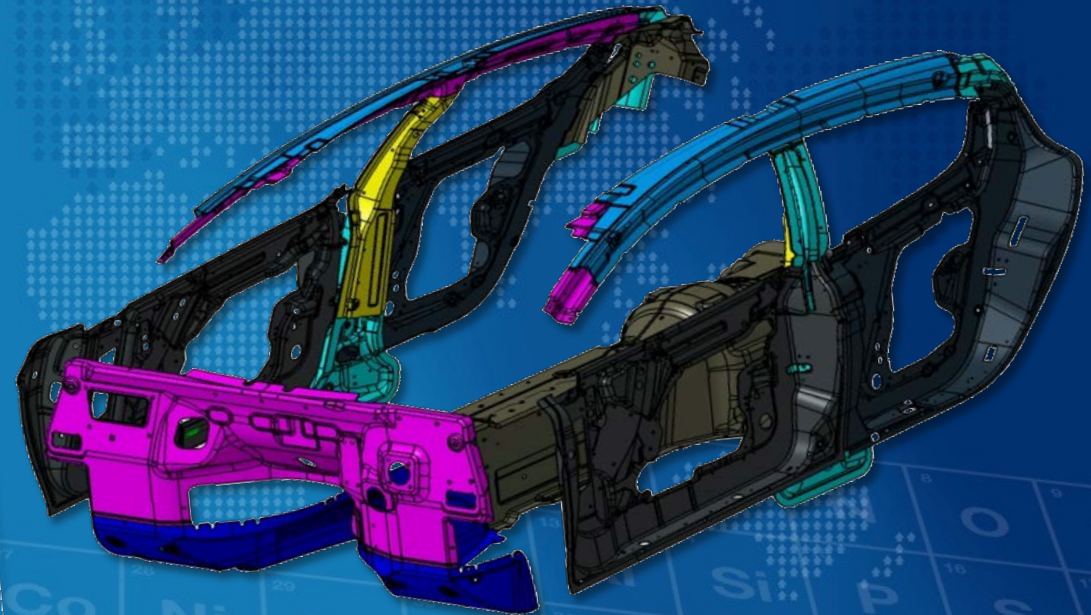
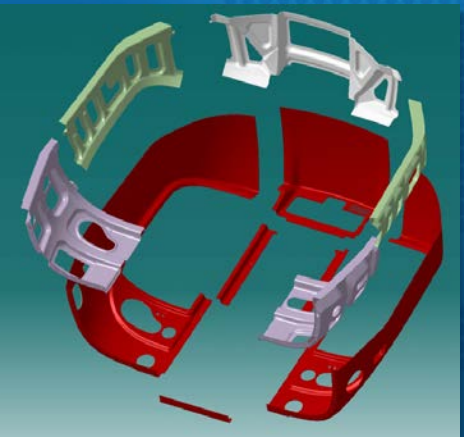


# OUR PRODUCTS

# Aluminum

AI

We **invented** and remain the **global leader** in the superplastic, superforming process to manufacture high-value-added, **complex sheet-based parts**.



We are now also forming **magnesium** sheet.



# OUR PRODUCTS

# Aluminum

AI



We make complex **'superformed'** parts for **aerospace**, **rail** and high-end **automotive** markets.



## OUR PRODUCTS

# Composites

Luxfer is the world's **largest** manufacturer of high-pressure **composite cylinders**.





# Composites

Luxfer is the **global leader** in **SCBA cylinders** for firefighters and other first-responders. We make the world's **highest-pressure** SCBA cylinder, as well as the world's **lightest-weight** SCBA cylinder.





# Composites



Luxfer's composite **Type 3** (aluminum-lined) alternative fuel (**AF**) cylinders are used to contain compressed natural gas (**CNG**) for buses and trucks.



## OUR PRODUCTS

# Composites

- Over the past two years, we have significantly expanded our presence in the alternative fuel (**AF**) market, including our acquisition of **Dynetek** in September 2013 for CAD\$14m.
- Since then, we have successfully integrated two former Dynetek plants—in **Canada** and **Germany**—which have become profitable despite being loss-making prior to our acquisition.





# 'VIRTUAL PIPELINES'



Luxfer also entered into a joint venture with **GTM Technologies** to build gas transportation modules. This **modular** approach to transporting **CNG** is ideal for the collection or delivery of gas where there is a lack of pipeline infrastructure.





## OUR PRODUCTS

# Composites



On May 5, 2014, Luxfer introduced its new line of **Type 4** (polymer-lined) cylinders, targeted primarily at the **class 8 heavy-duty truck** market, where a high rate of conversion from diesel to CNG is widely anticipated.



## OUR PRODUCTS

# Composites



In March 2014, we acquired a **purpose-built facility** in Utah to make **Type 4** cylinders. The initial cost was \$3m with a variable deferred consideration element, estimated at \$6m, linked largely to the success of the operation in the next three years.



## OUR PRODUCTS

# Composites

### IOS medical oxygen delivery system

We recently reached a milestone in the development of our IOS system when our UK cylinder facility received **ISO 13485 certification** to manufacture medical devices.

**CE marking**, a prerequisite to enable commercial sales, is planned for **2015**.





# MIGRATING TECHNOLOGY INTO NEW MARKETS & APPLICATIONS

*Aerospace alloys of magnesium*



*Helicopter gearboxes*



*Seat components for civil airliners*



*Bio-absorbable alloy*



*Ultra-lightweight portable cylinders*

*CNG systems for buses*



*Gas transportation modules*



# MIGRATING TECHNOLOGY INTO NEW MARKETS & APPLICATIONS

*Zirconia for automotive catalysts*



*Zirconia-based industrial catalysts*



*Removal of arsenic from drinking water*



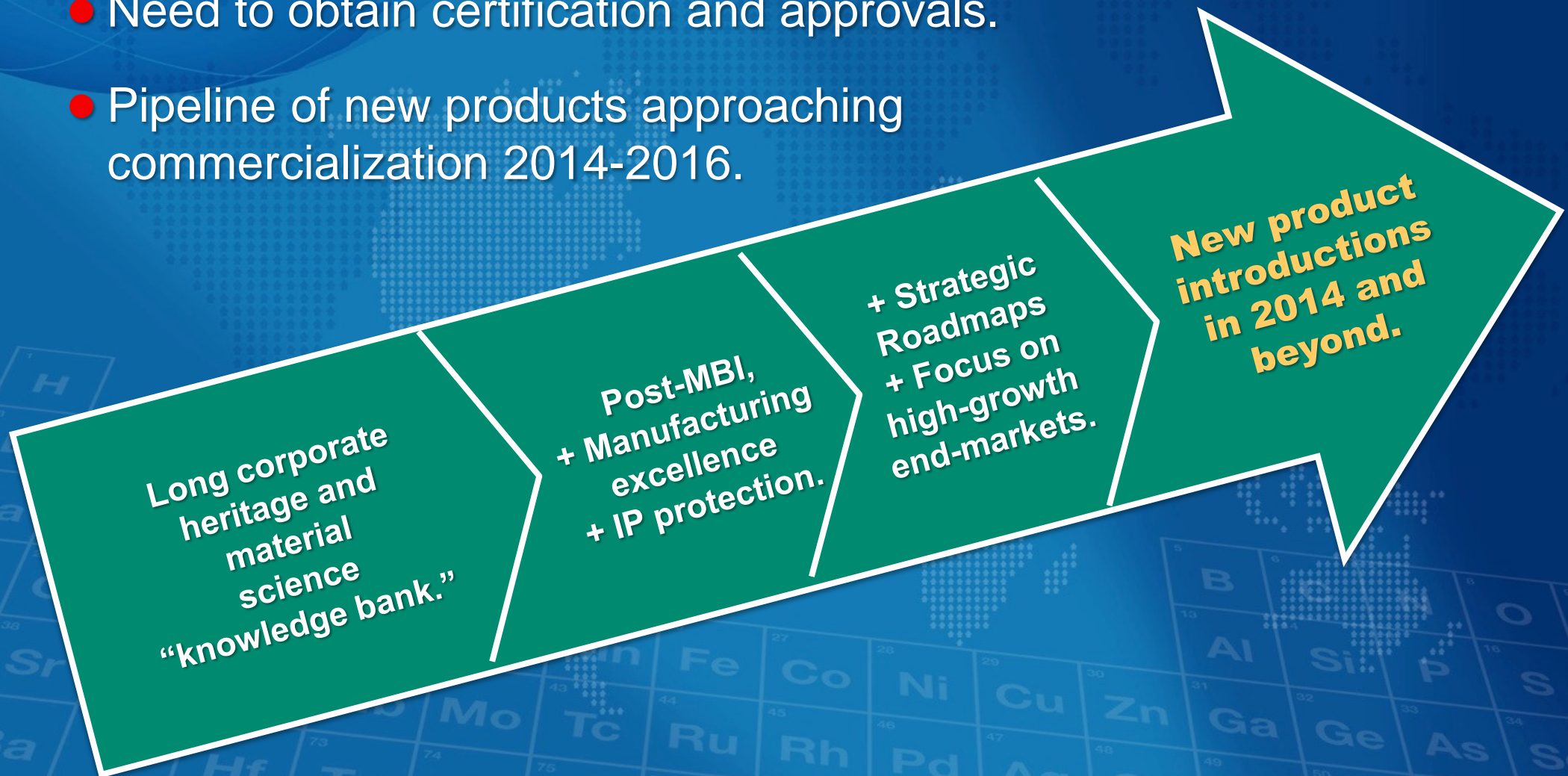
*Active component in respirators*





# CULTURE OF INNOVATION IN MATERIAL TECHNOLOGIES

- Multi-year programs of development, most often with partners.
- Need to obtain certification and approvals.
- Pipeline of new products approaching commercialization 2014-2016.





# REVENUE

## Historical Revenue



Note: Some figures may not add due to rounding.



# Cerium Carbonate AMI index \$/Kg: 2008 to current

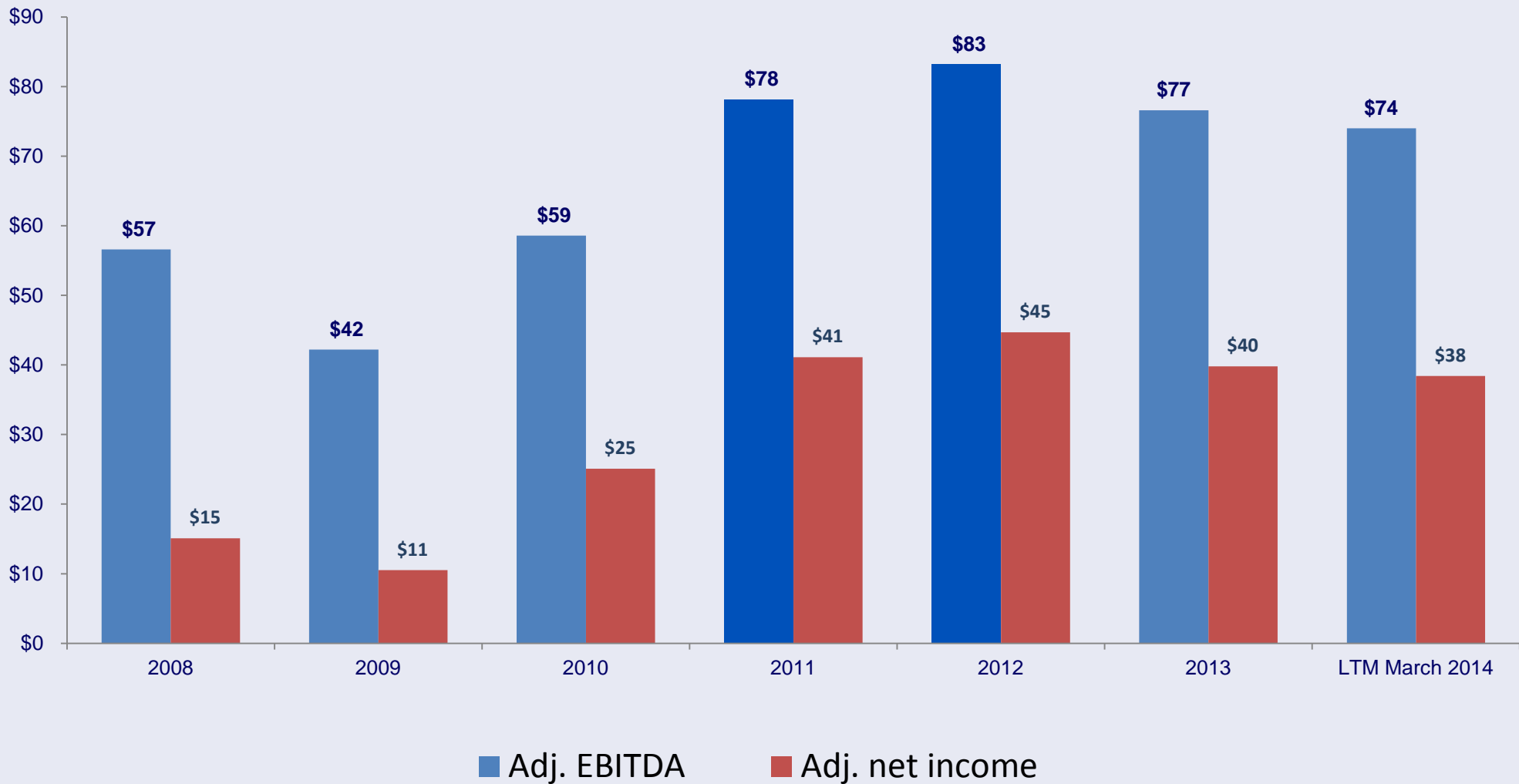




# FINANCIAL PERFORMANCE

## Historical adjusted EBITDA & net income

(\$m)







# 2013 & 2012 REVIEW

## Q1 2013 & Q1 2014 REVIEW

### 2013 vs. 2012

(\$m)	2013	2012	% chg
<b>Revenue</b>			
Elektron	211.3	224.8	(6.0%)
Gas Cylinders	261.6	246.3	6.2%
<b>Net revenue</b>	<b>472.9</b>	<b>471.1</b>	<b>0.4%</b>
RE surcharge	8.4	40.5	
<b>Total revenue</b>	<b>\$481.3</b>	<b>\$511.6</b>	<b>(5.9%)</b>
<b>Adj. EBITDA</b>	<b>\$76.6</b>	<b>\$83.2</b>	<b>(7.9%)</b>
<i>% margin</i>	15.9%	16.3%	

- Net revenue up 0.4% and adjusted EBITDA down 7.9% vs. 2012.
- Gas Cylinders revenue and margins increased with increased composite cylinder sales in North America.
- Record \$50m of Gas Cylinders alternative fuel sales.
- Elektron revenue weaker due to U.S. defense and European automotive demand being lower.
- High-performance magnesium alloy demand continued to rise.
- Adjusted EBITDA impacted by lower underlying Elektron sales, particularly weaker sales of zirconium products.

### Q1 2014 vs. Q1 2013

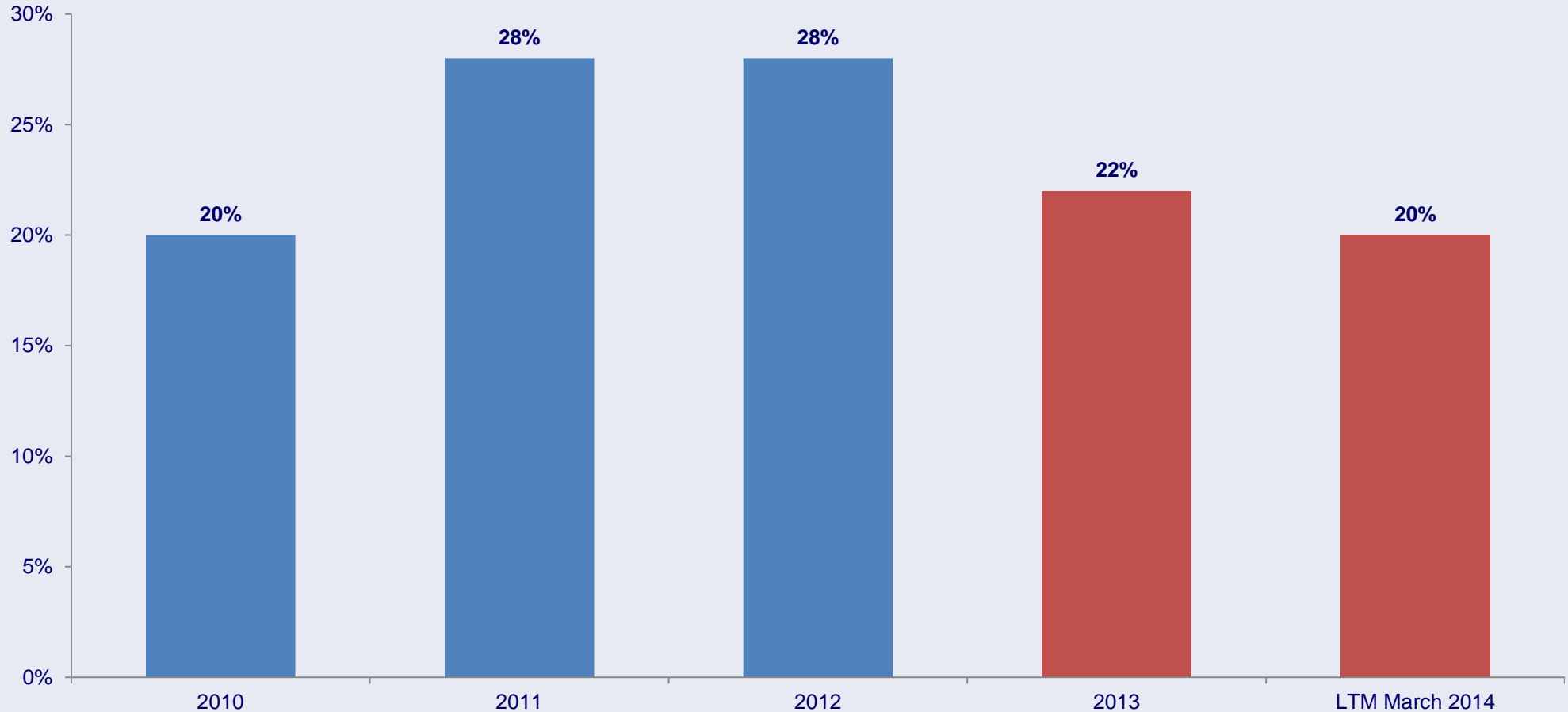
(\$m)	Q 1 performance		
	Q1 2014	Q1 2013	% chg
<b>Revenue</b>			
Elektron	\$56.3	\$50.8	10.8%
Gas Cylinders	\$66.1	\$68.4	(3.4%)
<b>Net revenue</b>	<b>\$122.4</b>	<b>\$119.2</b>	<b>2.7%</b>
RE surcharge	\$0.9	\$3.2	
<b>Total revenue</b>	<b>\$123.3</b>	<b>\$122.4</b>	<b>0.7%</b>
<b>Adj. EBITDA</b>	<b>\$16.9</b>	<b>\$18.7</b>	<b>(9.6%)</b>
<i>% margin</i>	13.7%	15.3%	

- Net revenue up 2.7% and adjusted EBITDA down 9.6% vs. Q1 2013.
- Elektron: Strong quarter for zirconium catalysts for industrial applications, and demand continues to be strong for high-performance magnesium alloys for North American aerospace and high-end engineering applications.
- Gas Cylinders: Delays in customers obtaining regulatory approval in U.S. for SCBA cylinders.
- Weakness in U.S. defense markets and traditional cylinder markets in Europe and U.S.



# RETURN ON INVESTED CAPITAL

## After-tax return on invested capital



*Note:* Return on invested capital defined as operating profit \* (1 – effective tax rate) / (Net debt + total shareholders' equity).  
See Appendix for non-GAAP financial measure reconciliation.





# Post-IPO and 2014 facility extension, very strong balance sheet to support growth

## Post-IPO leverage

(\$ millions)	Proforma as at 12/31/13	Interest rate	Maturity
<b>Cash and cash equivalents</b>	<b>\$28</b>		
Revolving credit facility \$150m *	-	L + 150–200 bps	2019
Secured notes	<b>\$65</b>	6.19%	2018
<b>Net debt</b>	<b>\$37</b>		
<b>LTM 12/31/13 credit statistics</b>			
Net debt / EBITDA	0.5x		

\* Plus \$50m 'accordion' facility, if required.



# LXFR SHARE PRICE POST-IPO

Luxfer Holdings PLC American De

■ LXFR

May 12, 2014

**IPO 10/3/12  
@ \$10**



© Yahoo!







# TRANSFERS INTO ADRs

- As of February 28, 2014, with progressive conversions of shares into the **ADR** program, the number of ADRs had increased to **24.8m**, which compares to 9.2m at the IPO, representing **92%** of the total share capital.
- 2013 adjusted net income per ADS outstanding: **\$1.48**.
- Quarterly dividend of **9.5 cents\*** per ADS.



\* 20 cents per ordinary share, 10 cents per ADS less depository charge.

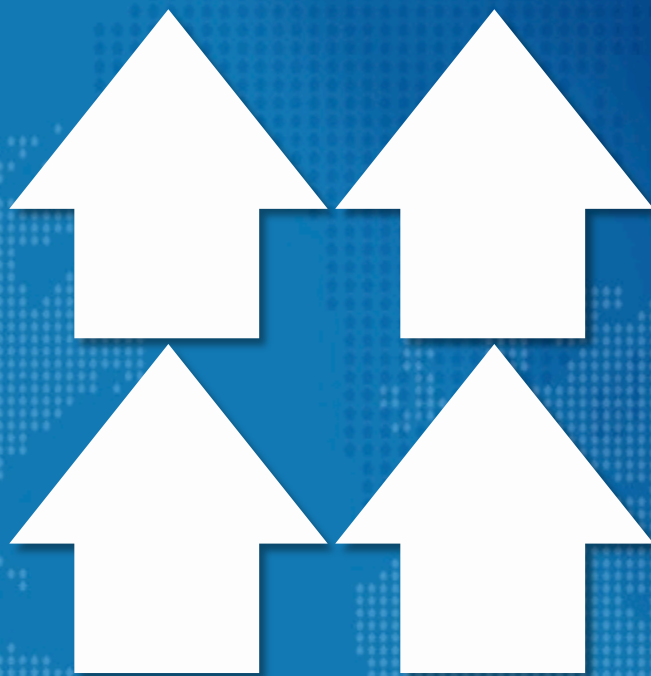


# KEY TAKEAWAYS

- Global leader in targeted advanced materials.
- Product, market and geographic diversification.
- Attractive high-growth end-markets.
- Long-standing blue-chip customers.
- Focus on technology and innovation.
- Robust performer, strong balance sheet.
- Strong new product/market pipeline 2014-2016.







**LUXFER GROUP**

