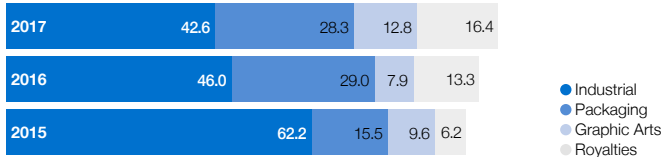


## Key performance indicators

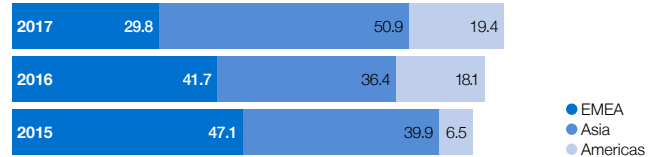
## MONITORING OUR PROGRESS

## Revenue by sector £m



Declining Ceramics revenue in the Industrial sector has been offset by growth in Graphic Arts and increased Royalties.

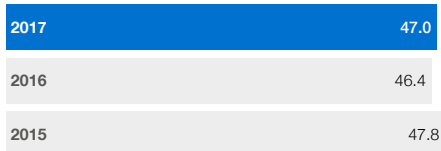
## Revenue by region £m



In Asia growth is driven by new products going into the Graphics Arts and Textiles markets and stronger sales from the Ceramics sector. Growth in the Americas is driven by the EPS acquisition. EMEA continues to decline as Ceramics market share reduces.

## Gross margin %

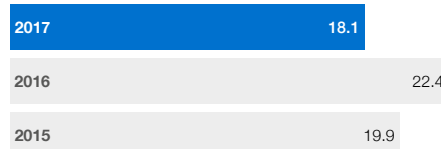
47.0%



Gross margins have been helped by increased Licensee Royalties.

## Gross R&amp;D investment £m

£18.1m

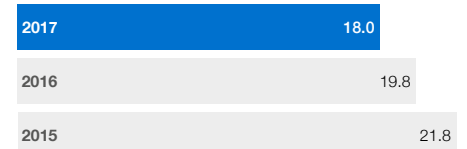


Gross R&D investment is defined as net capitalisation/amortisation of development costs relating to the Thin Film and 3D programmes.

Gross R&D spend has decreased as new products are delivered to market and resources are made available to strengthen Go-To-Market activities.

## Adjusted operating margin %

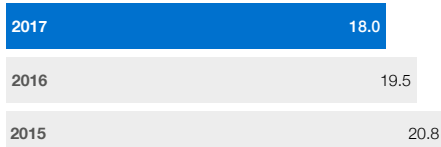
18.0%



Adjusted operating margin has decreased as general overhead costs have increased.

## Adjusted profit before tax £m

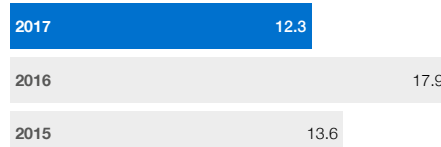
£18.0m



Adjusted profit before tax is taken from note 4 in the financial statements.

## Profit before tax £m

£12.3m

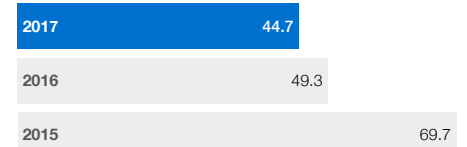


Profit before tax has decreased largely due to increased overhead and restructuring costs.

The rise in overheads relates to increased share-based payment charges and the removal of a one off foreign exchange benefit in 2016 due the Brexit referendum.

## Net cash balance £m

£44.7m



Despite increases in working capital we maintain a strong net cash balance which positions us well to fund future investment opportunities.