

Financial Highlights

Strong results and excellent free cash flow

2016

Revenue

£382.6^m → **+15%**

Adjusted operating profit¹

£65.7^m → **+9%**

Adjusted operating margin¹

17.2%

Adjusted profit before tax^{1,2}

£64.9^m → **+9%**

Profit before tax

£54.0^m → **+4%**

Free cash flow³

£59.0^m → **+46%**

2015

£333.8^m

£60.3^m

18.1%

£59.6^m

£51.8^m

£40.3^m

| | 2016 pence | | 2015 pence |
|--|---------------|------|---------------|
| Adjusted earnings per share ^{1,2} | 41.9 | +10% | 38.2 |
| Basic earnings per share | 33.9 | +4% | 32.5 |
| Total dividend per share | 20.0 | +10% | 18.2 |
| Free cash flow per share ³ | 52.2 | +46% | 35.6 |

1 Before acquisition related charges.

2 Before fair value remeasurements and gain on disposal of assets.

3 Before cash payments on acquisitions and dividends.

Diploma PLC uses alternative performance measures as key financial indicators to assess the underlying performance of the Group. These include adjusted operating profit, adjusted profit before tax, adjusted earnings per share, free cash flow, trading capital employed and return on adjusted trading capital employed ("ROATCE"). The narrative in the Annual Report & Accounts is based on these alternative measures and an explanation is set out in note 2 to the consolidated financial statements included in the Annual Report & Accounts on page 68.



For more information, please visit:
www.diplomapl.com/investor-relations.aspx