



INVESTOR PRESENTATION

August 2019

GLOBAL LEADER IN HIGHLY ENGINEERED INDUSTRIAL MATERIALS



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 Company's results of operations and financial condition, (ii) statements of plans, objectives or goals of the Company 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 Company 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, including as a result of the Brexit referendum, being less favorable than expected; (iv) worldwide economic and business conditions and conditions in the industries in which we operate; (v) fluctuations in the cost of raw materials and utilities; (vi) currency fluctuations and hedging risks; (vii) our ability to protect our intellectual property; and (viii) 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. The Company 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 10-K for the year ended December 31, 2018, filed with the U.S. Securities and Exchange Commission on March 11, 2019. When relying on forward-looking statements to make decisions with respect to the Company, 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 Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

LUXFER OVERVIEW (NYSE | LXFR)

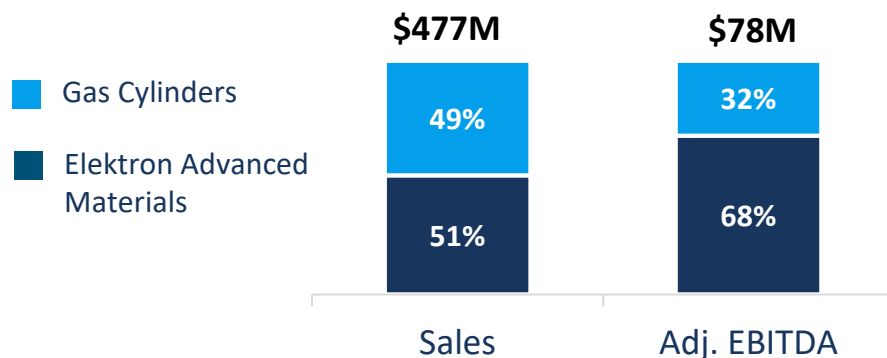
COMPANY SNAPSHOT

HQ Founded	U.K. 1898
Market Cap.	~\$500M
Net Debt/Adj. EBITDA	1.1x
ROIC on Adj. Earnings	19.5%

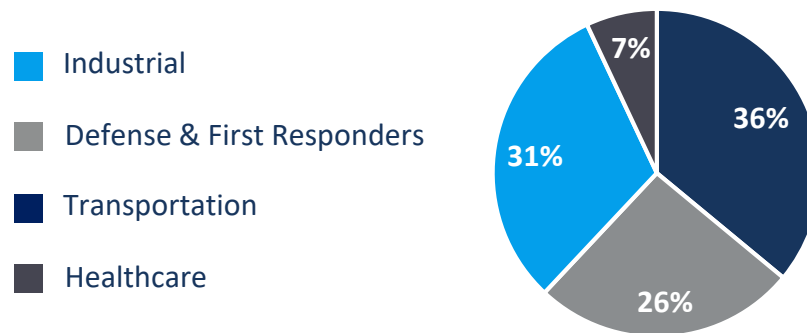
FINANCIAL PERFORMANCE (TTM)

Net Sales	\$477M	↗	--
Adj. EBITDA ²	\$78M	↗	11%
Adj. EBITDA Margin	16%	↗	169 bps
Adj. EPS	\$1.72	↗	30%
Net Debt	\$89M	↘	\$6M

SALES AND ADJ. EBITDA² BY SEGMENT (TTM)



GLOBAL END MARKET EXPOSURE



¹ As of 12/31/18

² Adjusted non-GAAP numbers. Reconciliation published in 10-K, available at www.luxfer.com

Highly-engineered Industrial Materials Company Serving Niche Markets



ELEKTRON ADVANCED MATERIALS | KEY PRODUCTS

MAGNESIUM ALLOYS



Global innovation leader in use of magnesium for unique, high-performance lightweight alloys.

ZIRCONIUM-BASED CHEMICALS



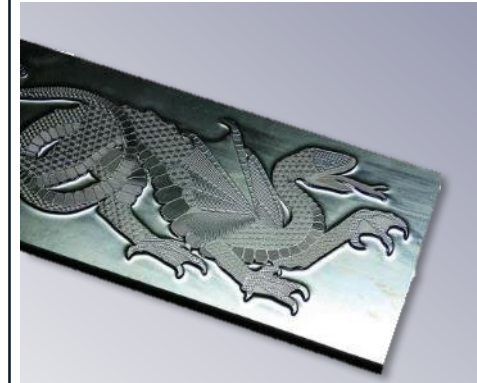
Global producer of zirconium-based solutions for industrial and automotive applications.

MAGTECH PRODUCTS



Magnesium-based pads for self-heating meals; key ingredient for aircraft decoy flares.

GRAPHIC ARTS



Magnesium, copper, zinc and brass plates for photo-engraving, embossing, foil stamping.

Leading Technology and Positions in Niche Applications Driven By Expertise and High Barriers to Entry

- Aerospace alloys
- Industrial alloys

- Automotive catalysis
- Industrial catalysis

- Aircraft decoy flares
- Flameless meal heaters

- Luxury packaging
- High-end labels

GAS CYLINDERS | KEY PRODUCTS

ALUMINUM CYLINDERS



World's largest manufacturer of high-pressure aluminum gas cylinders.

COMPOSITE CYLINDERS



World's largest manufacturer of high-pressure composite cylinders.

ALTERNATIVE FUEL CYLINDERS



Major supplier of composite cylinders for compressed natural gas and hydrogen.

SUPERFORM COMPONENTS



Invented the superforming process for complex, sheet-based components from aluminum.

Leading Technology and Positions in Niche Applications Driven By Expertise and High Barriers to Entry

- Industrial gas
- Fire extinguishers
- Scuba diving

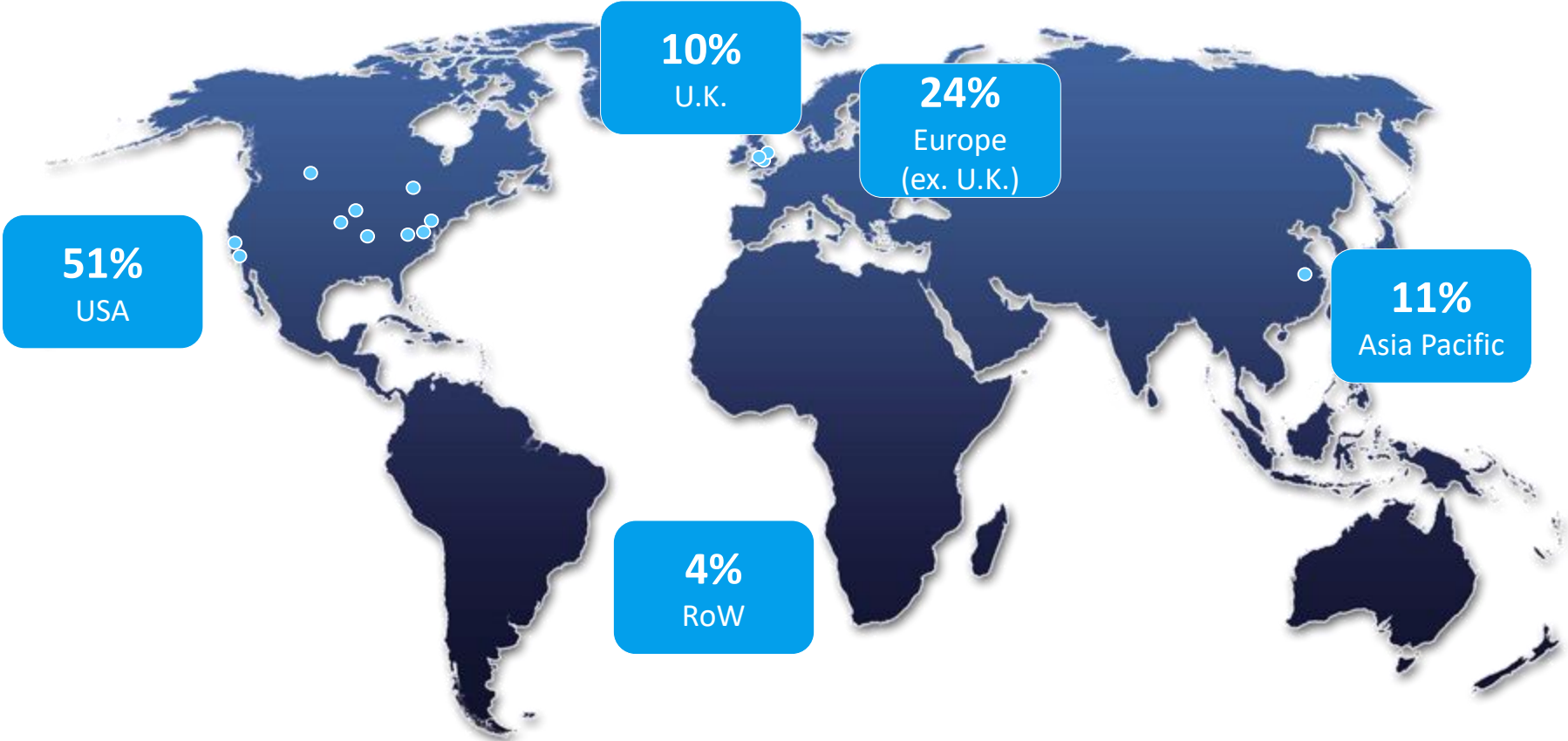
- SCBA - Self-Contained Breathing Apparatus
- Healthcare

- Buses & Trucks
- Bulk Gas transport
- Hydrogen

- Automotive
- Aerospace
- Rail

MORE EFFICIENT GLOBAL FOOTPRINT

100% sales = \$477M (TTM)

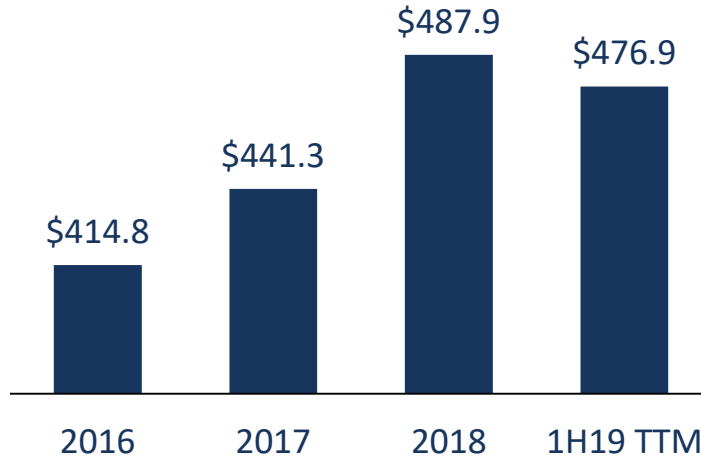


Reduced Global Footprint by 7 Locations Over Past 2 Years

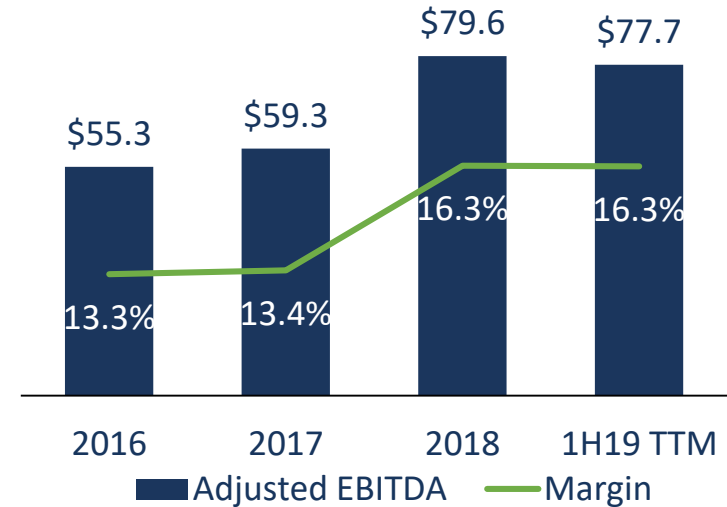
FINANCIAL PERFORMANCE

\$M

NET SALES



ADJ. EBITDA & MARGIN



2017-18

- Sustained success in improving business performance
- Increased pay for performance
- \$9M cost-reduction in 2018

2019 YTD Performance

- Lower sales of SoluMag[®], low-margin and disaster-relief products; FX headwinds
- High growth in alternative fuel and zirconium chemicals
- Higher margin from productivity improvements and cost reduction



Lowering Fixed Costs Through Transformation

SECOND HALF 2019 OUTLOOK

External Macro/Revenue Impact

- **Industrial revenue lower**
 - Oil and gas lower as Solumag® destocking continues in 2H
 - Weaker industrial sentiments
- **Defense and first responders** remains stable and not impacted by any current or future economic slowdown
- **Transportation remains resilient**
 - Aerospace (majority of transportation) momentum continues
 - AF heavy-duty trucks and public bus share gain continues
 - Passenger auto catalyst resilient due to new applications & share gain

Transformation Plan Impact

- **~\$13M revenue decline in 2H with zero margin impact**
 - \$8M from Czech recycling exit
 - \$5M from Superform products/programs
- **Cost transformation plan** to deliver net ~\$4M savings in 2H
 - ~\$5M for FY 19

Projecting 2019 Adjusted EPS +/-2% vs. Prior Year

TRANSFORMATION PLAN: OVERVIEW

Simplification

PHASE 1: 2017 - 2018

- SEC Domestic Filer as of 1/1/19
- Refreshed Luxfer's Board

COMPLETE! 

Productivity and Culture

PHASE 2: 2017 - 2020

- Implemented training on Luxfer Values
- Completed closure and consolidation of cylinder operation in France
- Exited magnesium recycling with sale of Czech operation
- Announced consolidation of certain Magtech operations

Continuous Improvement

PHASE 3: 2018+

- Early progress on implementing lean operations
- "On-track" for back office consolidation
- Lower cost structure sustaining margin improvement

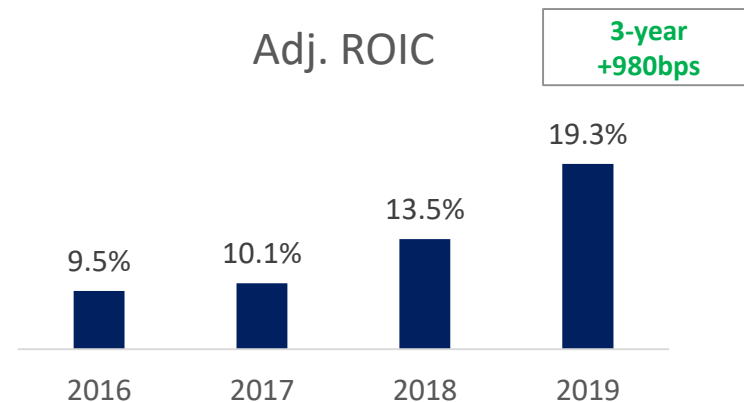
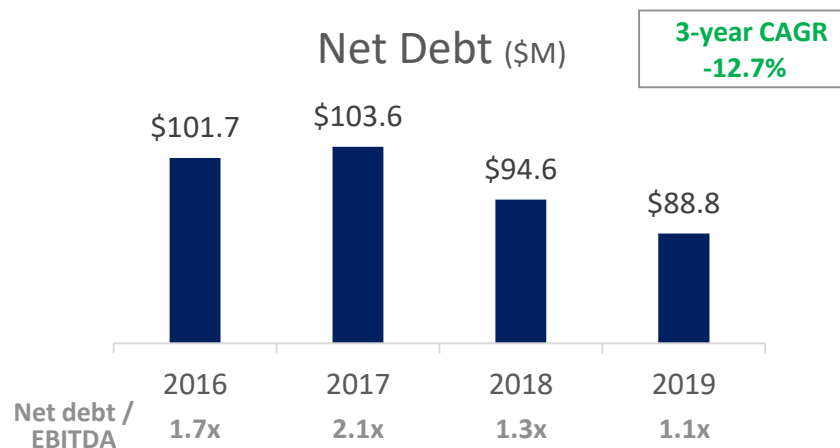
Opportunities for Further Business Improvement

LUXFER TRANSFORMATION: PROGRESS SO FAR

STRATEGIC PROGRESS

- Included in **Russell 2000** after terminating ADR and FPI status
- Paying ~\$13.5M **dividends** annually
- **Refreshed board** with more public company experience
- \$11M **reduction in costs** out of total of \$24M by 2021
- Seven **fewer facilities**
- **Luxfer B.E.S.T.** for sustainable performance improvement

FINANCIAL PROGRESS



High Say-Do Ratio

BOARD AND CORPORATE GOVERNANCE EXCELLENCE

David Landless
Chair



Retired CFO of Bodycote plc

New Chair

Clive Snowdon
Audit Chair



Retired Chair of Midlands
Aerospace Alliance

Allisha Elliott
Nomination and Governance Chair



CHRO of Sensata Technologies

New Director

Alok Maskara
Chief Executive Officer



Former leader at Pentair,
GE and McKinsey

Dick Hipple
Remuneration Chair



Retired Chair and CEO of Materion

New Director

Lisa Trimberger



Retired Partner, Deloitte & Touche

New Director

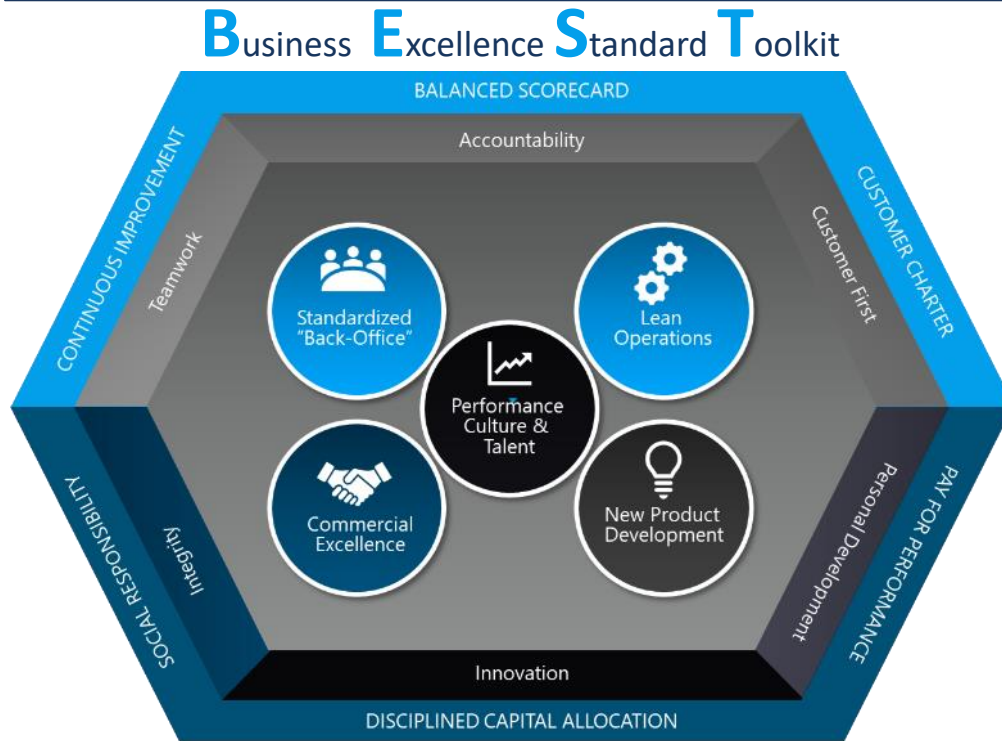
ACTIONS TAKEN

- Increased US public-company C-Suite experience on the board
- Increased diversity
- Instituted and updated policies and governance
- Implemented stronger pay for performance
- Management compensation aligned with shareholder interests



Focus on Shareholder Value

SHAREHOLDER VALUE: LONG-TERM THESIS INTACT



- GDP+ revenue growth driven by new products and commercial excellence
- 2017-2021 transformation plan total net cost savings of \$24M
- 2-3% annual net cost savings beyond 2021 through lean continuous improvement
- Disciplined capital allocation

Early Stage

Mature / High Impact

Performance Culture & Talent

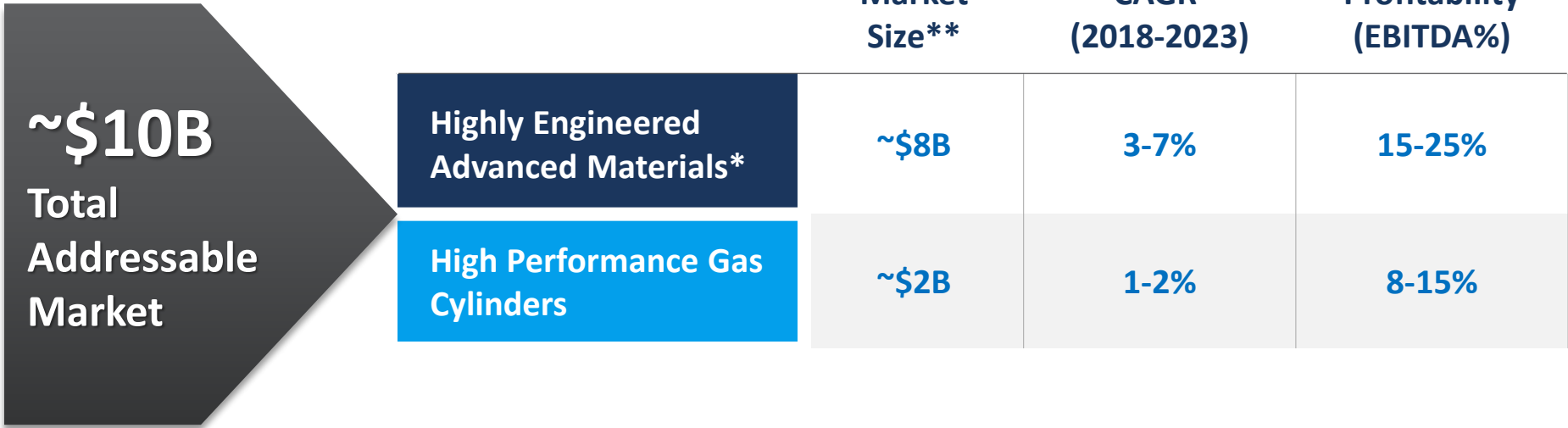
Lean Operations

Commercial Excellence and NPD

8-10% Earnings Growth Over the Cycle



PORTFOLIO OPTIMIZATION OPPORTUNITIES



* Defined as High performance alloys, ceramics and composites used in general industrial, transportation, defense, and medical applications. Target addressable high-performance market is 10% of the total available market which is \$85B in size

** Luxfer analysis, industry annual reports, Deloitte, Spears and Associates, Mordor intelligence, Grandview research, William Blair



Large Addressable Market

DISCIPLINED CAPITAL DEPLOYMENT STRATEGY

01 Accelerate Productivity

- Average payback period of 2 years
- Best use of FCF for next 1 – 2 years

02 Drive Organic Growth

- Annual capex of ~\$15M
- Increase R&D spend over time

03 Maintain Flexibility

- Debt paydown
- Share buyback – dependent on interest rate, tax environment and share price

04 Pursue Strategic M&A

- Clear strategic filters and financial criteria

Maximizing Shareholder Value

KEY INVESTMENT CONSIDERATIONS

**Highly Engineered
Industrial Materials
Company with
Attractive End
Markets**



**Comprehensive
Transformation
Plan To Enhance
Growth and
Profitability**



**Strong Balance
Sheet, Consistent
Cash Conversion &
Disciplined Capital
Allocation**



**Significant
Opportunities for
Continued Value
Creation**



LUXFER

APPENDIX



SUMMARY INCOME STATEMENT

(Unaudited)

\$M	2019	2018	Variance		2019	2018	Variance	
	Q2	Q2	\$M	%			YTD	YTD
NET SALES	116.5	128.2	(11.7)	-9.1%	236.9	247.9	(11.0)	-4.4%
Cost of sales	(85.5)	(94.6)			(175.8)	(184.0)		
Gross profit	31.0	33.6	(2.6)	-7.7%	61.1	63.9	(2.8)	-4.4%
Selling, general and administrative expenses	(14.4)	(16.8)			(30.8)	(32.0)		
Research and development expenses	(1.6)	(1.9)			(3.0)	(3.5)		
Restructuring charges	(12.7)	(0.3)			(21.7)	(1.0)		
Impairment charges	-	-			0.2	-		
Acquisition related costs / credits	2.9	-			(1.7)	-		
Operating income	5.2	14.6	(9.4)	-64.4%	4.1	27.4	(23.3)	-85.0%
Finance costs:								
Net finance costs	(1.1)	(1.0)			(2.2)	(2.5)		
Defined benefit pension credit	0.5	1.2			1.1	2.6		
Income before income taxes and equity in net income of affiliates	4.6	14.8	(10.2)	-68.9%	3.0	27.5	(24.5)	-89.1%
Provision for income taxes	(1.4)	(3.4)			(3.5)	(6.4)		
Income before equity in net income of affiliates	3.2	11.4	(8.2)	-71.9%	(0.5)	21.1	(21.6)	-102.4%
Equity in income of affiliates (net of tax)	0.3	-			0.2	0.2		
Net income	3.5	11.4	(7.9)	-69.3%	(0.3)	21.3	(21.6)	-101.2%
<i>Earnings per share - Basic</i>	0.13	0.43			(0.01)	0.80		
<i>Earnings per share - Diluted</i>	0.13	0.41			(0.01)	0.78		
ADJUSTED NET INCOME	12.4	12.2	0.2	1.6%	23.6	22.2	1.4	6.3%
<i>Adjusted earnings per share - Diluted</i>	0.44	0.44			0.85	0.81		
Adjusted EBITDA	20.2	21.4	(1.2)	-5.6%	38.7	40.6	(1.9)	-4.7%



LUXFER

CASH FLOW

(Unaudited)				
	2019	2018	2019	2018
\$M	Q2	Q2	YTD	YTD
Operating activities				
Net (loss) / income	3.5	11.4	(0.3)	21.3
Equity income of unconsolidated affiliates	(0.3)	-	(0.2)	(0.2)
Depreciation	3.7	4.6	7.1	9.2
Amortization of purchased intangible assets	0.3	0.3	0.6	0.6
Amortization of debt issuance costs	0.1	0.2	0.2	0.3
Share-based compensation	0.8	1.4	3.4	1.9
Deferred income taxes	0.4	4.3	1.2	5.1
(Gain) loss on disposal of business	(2.9)	-	(2.9)	-
Asset impairment charges	5.0	-	4.8	-
Pension and other post-retirement expense	0.8	(2.4)	1.5	(2.1)
Pension and other post-retirement contributions	(3.2)	(3.7)	(6.4)	(6.9)
<i>Changes in assets and liabilities, net of effects of business acquisitions</i>				
Accounts and notes receivable	5.6	(3.5)	(4.8)	(3.6)
Inventories	(2.3)	(4.4)	(5.9)	(15.6)
Other current assets	(1.3)	(0.1)	(1.3)	1.2
Accounts payable	(0.2)	(1.7)	(1.0)	5.0
Accrued liabilities	(9.1)	7.2	(10.8)	4.4
Other current liabilities	(6.5)	(1.0)	0.7	1.2
Other non-current assets and liabilities	(2.2)	0.5	(1.5)	(0.4)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	(7.8)	13.1	(15.6)	21.4
Investing activities				
Capital expenditures	(3.9)	(2.6)	(7.1)	(3.9)
Proceeds from sale of property and equipment	1.2	-	1.2	-
Proceeds from sale of businesses and other	4.6	-	4.6	-
Investments in unconsolidated affiliates	-	0.2	-	0.8
Acquisitions, net of cash acquired	-	-	-	(0.5)
NET CASH FLOWS BEFORE FINANCING	(5.9)	10.7	(16.9)	17.8
Financing activities				
Net increase / (decrease) in short-term borrowings	(0.4)	(15.0)	3.8	(19.2)
Net repayments of long-term borrowings	16.9	9.0	28.2	5.0
Deferred consideration paid	-	-	(0.5)	-
Proceeds from issue of share capital	1.9	-	3.3	-
Share-based compensation cash paid	(2.7)	(4.1)	(4.5)	(4.7)
Dividends paid	(3.4)	(3.3)	(6.8)	(6.7)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS BEFORE EXCHANGE	6.4	(2.7)	6.6	(7.8)
Effect of exchange rate changes	(0.3)	(0.2)	(0.1)	(0.3)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	6.1	(2.9)	6.5	(8.1)

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited)

	2019	2018	2019	2018
\$M	Q2	Q2	YTD	YTD
Net income	3.5	11.4	(0.3)	21.3
Accounting charges relating to acquisitions and disposals of businesses:				
Unwind of discount on deferred consideration	0.1	0.2	0.1	0.3
Amortization on acquired intangibles	0.3	0.3	0.6	0.6
Acquisitions and disposals	(2.9)	-	1.7	-
Defined benefit pension actuarial adjustment	(0.5)	(1.2)	(1.1)	(2.6)
Restructuring and other charges	12.7	0.3	21.7	1.0
Impairment charges	-	-	(0.2)	-
Share-based compensation charges	0.8	1.4	3.4	1.9
Income tax thereon	(1.6)	(0.2)	(2.3)	(0.3)
Adjusted net income	12.4	12.2	23.6	22.2
Add back / (deduct):				
Income tax thereon	1.6	0.2	2.3	0.3
Provision for income taxes	1.4	3.4	3.5	6.4
Net finance costs	1.1	1.0	2.2	2.5
Adjusted EBITA	16.5	16.8	31.6	31.4
Depreciation	3.7	4.6	7.1	9.2
Adjusted EBITDA	20.2	21.4	38.7	40.6

RECONCILIATION OF NON-GAAP MEASURES

(Unaudited)

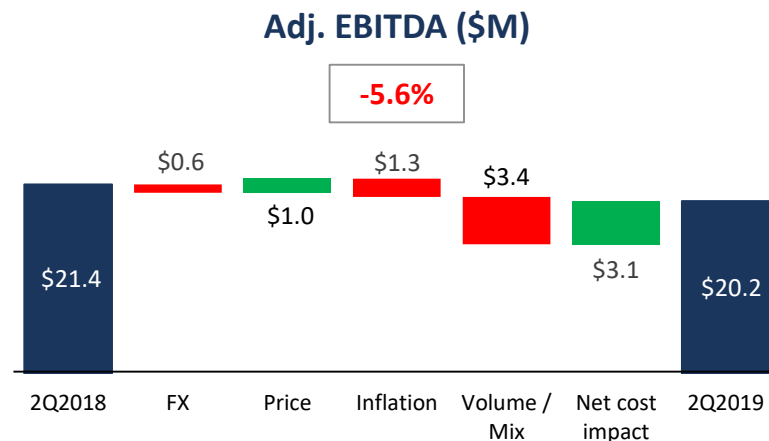
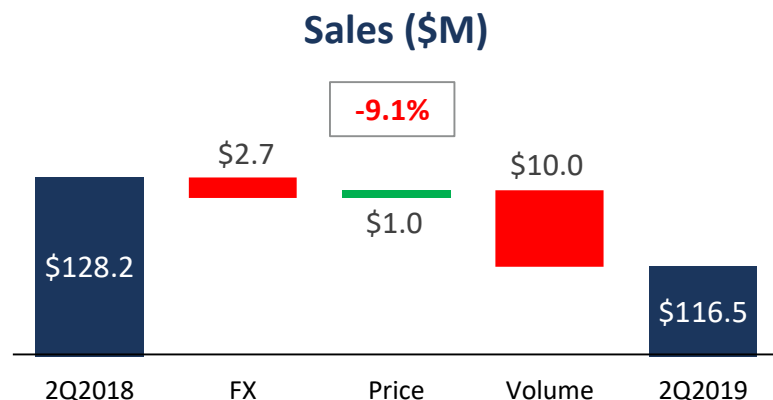
\$M	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2017 FY	2018 FY
EBITA	11.1	10.4	11.2	9.6	14.6	16.8	18.4	11.7	15.1	16.5	42.3	61.5
Effective tax rate - per income statement	19.6%	32.1%	26.3%	71.4%	23.6%	23.0%	22.2%	33.3%	-131.3%	30.4%	16.7%	18.3%
Notional tax	(2.2)	(3.3)	(2.9)	(6.9)	(3.4)	(3.9)	(4.1)	(3.9)	19.8	(5.0)	(7.1)	(11.3)
EBITA after notional tax	8.9	7.1	8.3	2.7	11.2	12.9	14.3	7.8	34.9	11.5	35.2	50.2
Rolling 12 month EBITA after notional tax	26.0	25.2	28.3	27.0	29.3	35.1	41.1	46.2	69.9	46.5	35.2	50.2
Bank and other loans	146.5	160.8	121.4	113.8	105.9	99.8	88.7	77.1	92.6	109.2	113.8	77.1
Net cash and cash equivalents	(40.4)	(57.2)	(19.2)	(12.6)	(8.1)	(5.2)	(8.9)	(13.8)	(14.2)	(20.4)	(12.6)	(13.8)
Net debt	106.1	103.6	102.2	101.2	97.8	94.6	79.8	63.3	78.4	88.8	101.2	63.3
Total equity	161.6	172.4	180.0	172.5	177.1	191.1	213.0	184.3	179.8	178.0	172.5	184.3
Invested capital	267.7	276.0	282.2	273.7	274.9	285.7	292.8	247.6	258.2	266.8	273.7	247.6
4 point average invested capital	252.2	259.0	270.9	274.9	276.7	279.1	281.8	275.3	271.1	266.4	273.7	247.6
Return on invested capital	10.3%	9.7%	10.4%	9.8%	10.6%	12.6%	14.6%	16.8%	25.8%	17.5%	12.9%	20.3%
Adjusted net income for the period	7.4	6.5	7.2	6.5	10.0	12.2	13.4	11.2	11.2	12.4	27.6	46.8
Impact of U.S. tax reform	-	-	-	2.0	-	-	-	-	-	-	2.0	-
Other tax adjustments	-	-	-	-	-	-	-	2.9	-	-	-	2.9
Provision for income taxes	1.9	1.8	2.1	(2.5)	3.0	3.4	3.5	(4.4)	2.1	1.4	3.3	5.5
Income tax on adjustments to net income	0.3	0.5	0.3	2.0	0.1	0.2	0.3	1.1	0.7	1.6	3.1	1.7
Adjusted income tax charge	2.2	2.3	2.4	1.5	3.1	3.6	3.8	(0.4)	2.8	3.0	8.4	10.1
Adjusted profit before taxation	9.6	8.8	9.6	8.0	13.1	15.8	17.2	10.8	14.0	15.4	36.0	56.9
Adjusted effective tax rate	22.9%	26.1%	25.0%	18.8%	23.7%	22.8%	22.1%	-3.7%	20.0%	19.5%	23.3%	17.8%
EBITA (as above)	11.1	10.4	11.2	9.6	14.6	16.8	18.4	11.7	15.1	16.5	42.3	61.5
Adjusted notional tax	(2.5)	(2.7)	(2.8)	(1.8)	(3.5)	(3.8)	(4.1)	0.4	(3.0)	(3.2)	(9.9)	(10.9)
Adjusted EBITA after notional tax	8.6	7.7	8.4	7.8	11.1	13.0	14.3	12.1	12.1	13.3	32.4	50.6
Rolling 12 month adjusted EBITA after notional tax	27.0	26.4	29.2	32.4	35.0	40.3	46.2	50.6	51.5	51.8	32.4	50.6
Adjusted return on invested capital	10.7%	10.2%	10.8%	11.8%	12.7%	14.4%	16.4%	18.4%	19.0%	19.5%	11.9%	20.4%



2Q 2019: LUXFER FINANCIAL RESULTS

Performance Highlights

- Key elements of the sales decline
 - SoluMag
 - \$3M in hurricane-related shipments
 - FX \$2.7M, or 2.1%, negative impact
 - Low-margin Superform products
- Gross margin +40 bps to 26.6%
- Achieved \$3.1M in cost reductions

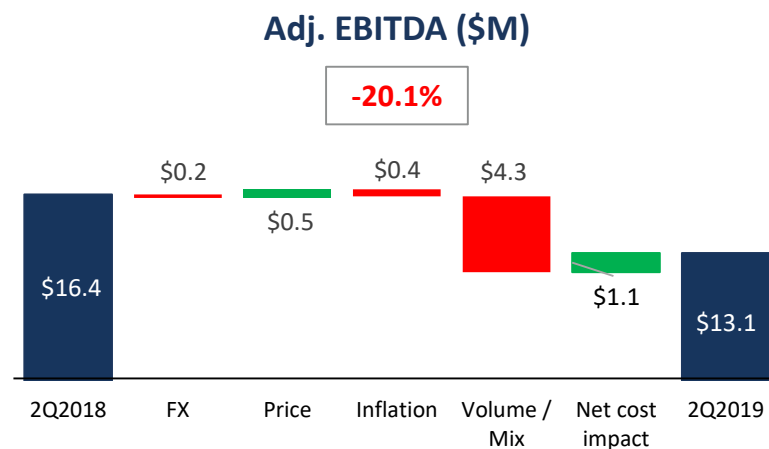
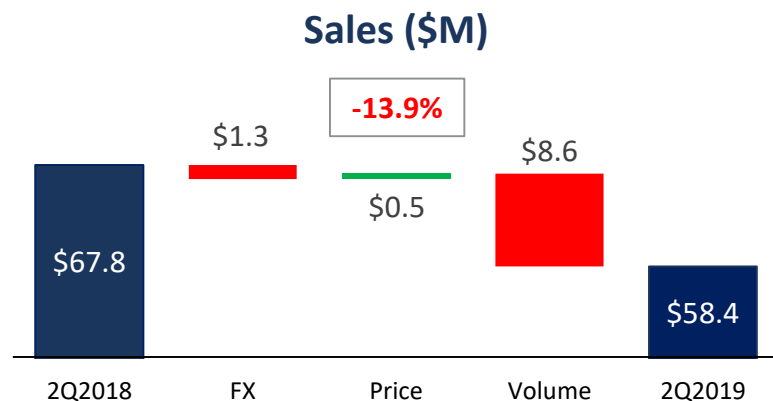


Progress on Cost Reductions

2Q 2019: ELEKTRON SEGMENT RESULTS

Performance Highlights

- Sales declines in SoluMag and disaster-relief products
- Growth in zirconium chemicals
- Progress on cost reductions partially offset volume decline

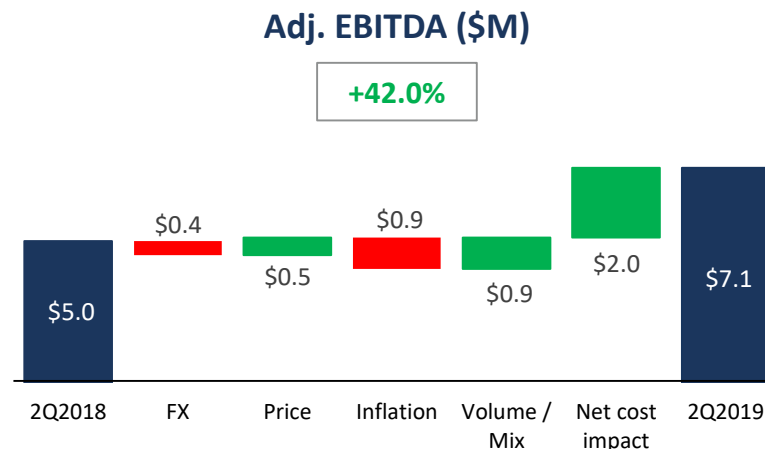
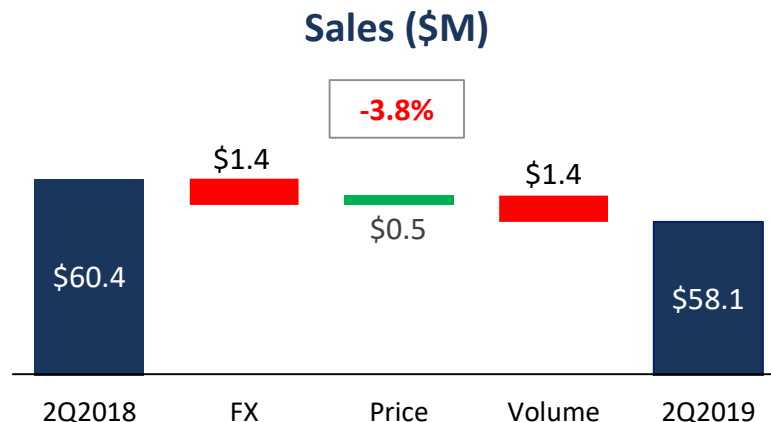


Impact of Less Activity in Oil & Gas

2Q 2019: CYLINDER SEGMENT RESULTS

Performance Highlights

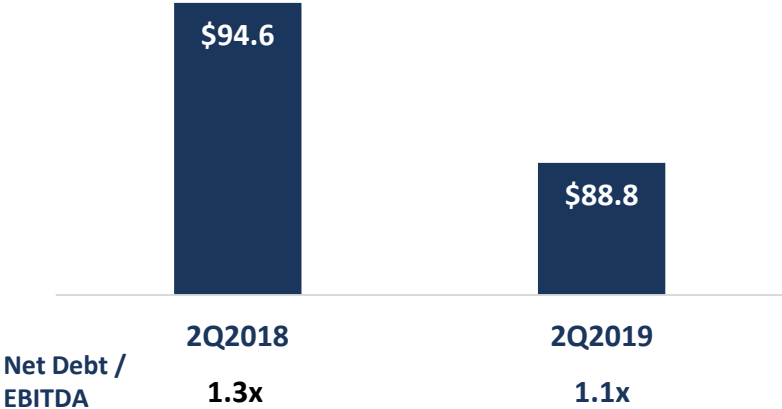
- Strength in alternative fuel cylinder sales
- Favorable mix, price and cost reductions drive higher EBITDA and margin



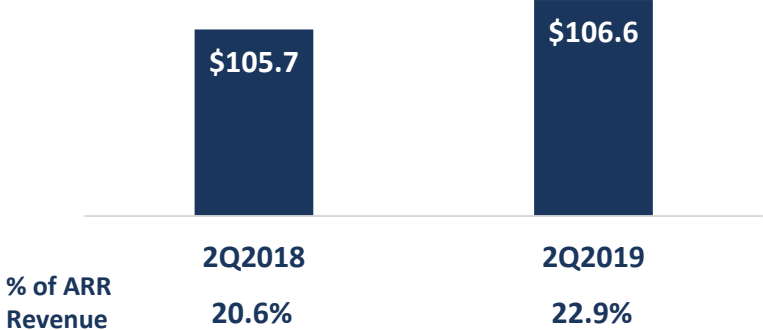
KEY BALANCE SHEET & CASH FLOW METRICS

All in \$M except ROIC

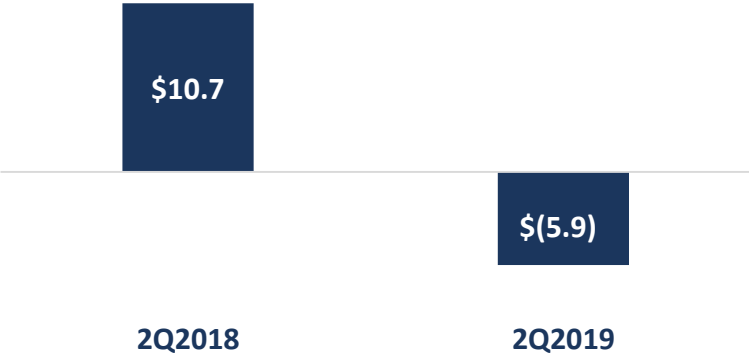
Net Debt



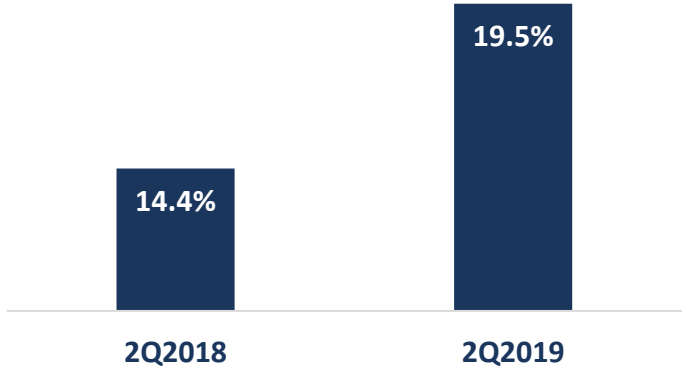
Working Capital



Net Cash Flow (Before Financing Activities)



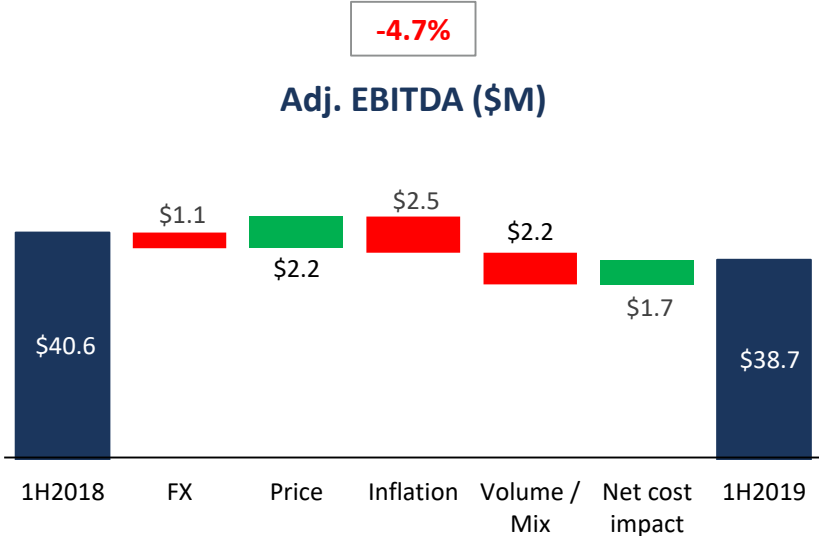
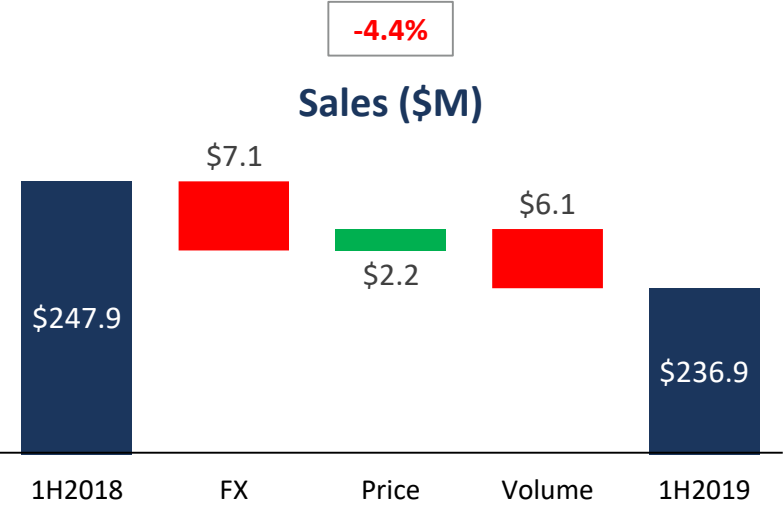
ROIC from Adj. Earnings (TTM)



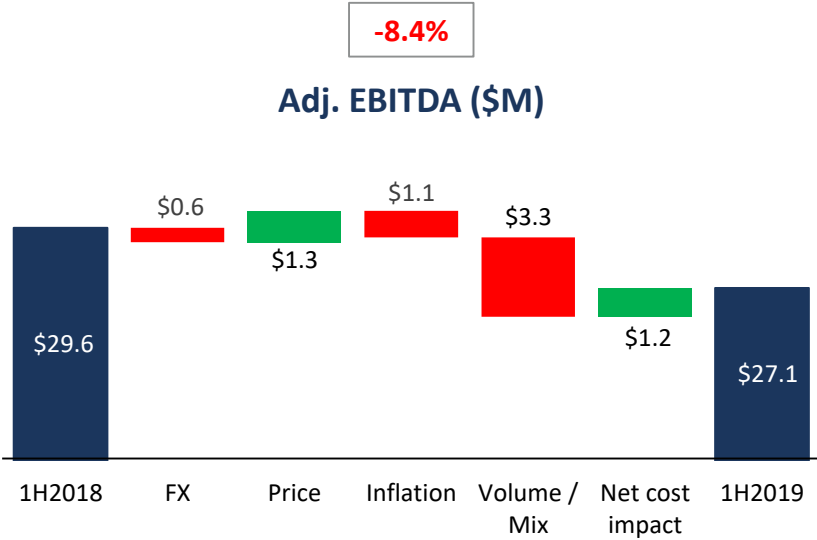
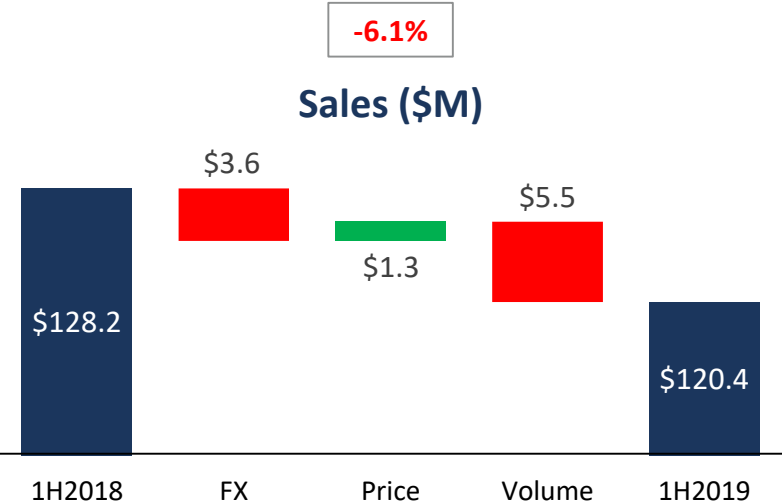
Maintained Strong Balance Sheet; Increased Cash Needs



1H 2019: LUXFER FINANCIAL RESULTS



1H 2019: ELEKTRON SEGMENT RESULTS



1H 2019: CYLINDER SEGMENT RESULTS

