

**TT Electronics is a global provider of engineered electronics for performance critical applications. We operate in markets where there are structural growth drivers, working with market-leading customers in transportation, industrial, aerospace and defence, and medical sectors.**

### Our strategy

- Position ourselves in structural growth markets where there is increasing electronic content;
- Target areas of the market where we have a competitive advantage or where we can differentiate ourselves using our industry expertise and focused R&D investment to develop engineered electronic solutions for our customers most complex challenges;
- Ensure our business is sustainable in the long term; and
- Deliver growth and value for our shareholders.

### Investment for growth

Focused investment to fuel growth for the future through:

- Acquisitions
- Research and development
- Investing in our sales channels
- Talent development

#### Revenue

**£569.9m**

Up 3% (constant currency)

#### Underlying operating profit

**£31.3m**

Up 26% (constant currency)

#### Cash spent on R&D

**£22.6m**

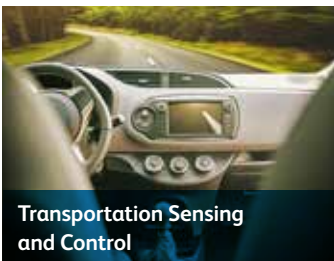
#### Employees

**5,886**

#### Sites

**27**

### Our business



#### Transportation Sensing and Control

Our Transportation Sensing and Control business develops both sensors and control solutions for leading automotive OEMs and suppliers such as powertrain suppliers for various categories of automotive including passenger cars and trucks. Our products are used in a wide range of applications on a vehicle, with almost all of them focused on safety and driver assistance features.

#### Percentage of Group revenue

**42%**

#### Percentage of Group underlying operating profit

**10%**



#### Industrial Sensing and Control

Our Industrial Sensing and Control division develops products including optoelectronics, potentiometers, pressure, flow temperature and EPS sensors. Our products are used in applications ranging from robotics, sensors used in cashpoints, industrial printing to temperature sensors used in metal processing and power generation.

#### Percentage of Group revenue

**11%**

#### Percentage of Group underlying operating profit

**38%**



#### Advanced Components

Our Advanced Components division creates ultra-reliable and highly engineered components used within applications such as circuit protection, power management and signal conditioning. Examples include circuit protection for sophisticated defence systems or motor braking where excess energy needs to be discharged safely.

#### Percentage of Group revenue

**21%**

#### Percentage of Group underlying operating profit

**33%**



#### Integrated Manufacturing Services (IMS)

IMS's core capabilities are relied on by our OEM customers to provide high mix low volume manufacturing solutions in our highly controlled and accredited facilities worldwide. Our products go into a wide range of end products ranging from medical devices such as mass spectrometry detectors, power control modules used in rail transport infrastructure to single box avionics solutions.

#### Percentage of Group revenue

**26%**

#### Percentage of Group underlying operating profit

**19%**

## 2016 Financial Headlines

£m (unless otherwise stated)	2016	2015	Change	Change constant fx
Revenue	569.9	509.9	12%	3%
Underlying operating profit <sup>1</sup>	31.3	21.7	44%	26%
Underlying profit before tax <sup>1</sup>	26.9	19.2	40%	20%
Underlying earnings per share (pence) <sup>1</sup>	12.0p	8.8p	36%	19%
Return on invested capital <sup>1,2</sup>	10.3%	9.0%	130bps	
Cash conversion <sup>3</sup>	87%	136%		
Free cash flow <sup>4</sup>	13.8	5.1		
Net debt	(55.4)	(56.1)		
Dividend per share (pence) <sup>5</sup>	5.6p	5.5p		

(1) Excluding the effect of restructuring costs, asset impairments and acquisition related costs

(2) Rolling 12 month underlying operating profit return on average invested capital

(3) Underlying operating cash flow (underlying EBITDA less net capital expenditure, excluding property disposals, capitalised development expenditure, working capital and non-cash movements) divided by underlying operating profit

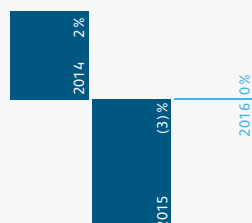
(4) Net cash flow from operating activities less net cash flow from investing activities less interest paid

(5) Interim dividend combined with final proposed dividend

## Financial KPIs

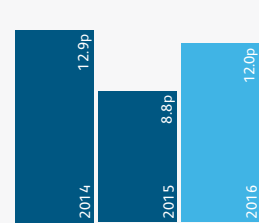
### Organic revenue growth

0%



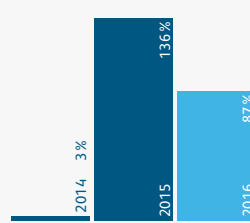
### Underlying earnings per share (EPS)

12.0p



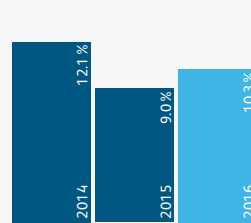
### Cash conversion

87%



### Return on invested capital

10.3%



## The markets we serve



### Transportation

Market growth from increasing electronic content in rail, truck and automotive; market trend towards electric, hybrid electric and autonomous vehicles.



### Industrial

Market growth from electronics future proofing next generation technology including 'smarter home', 'factory 4.0' and higher specification consumer products.



### Aerospace & defence

Market growth from more electric aircraft; demand for electrical components with reduced size, weight and power consumption.

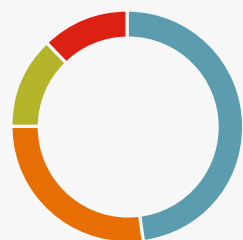


### Medical

Market growth from increased demand for more sophisticated diagnostic, imaging and monitoring equipment; constant drive towards improved patient safety.

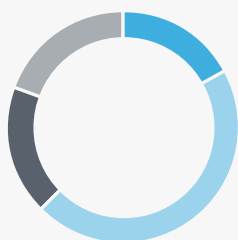
## Revenue

### Revenue by market (2016)



- Transportation – 48%
- Industrial – 27%
- Aerospace and defence – 13%
- Medical – 12%

### Revenue by region (2016)



- UK – 17%
- Rest of Europe – 46%
- North America – 18%
- Asia and Rest of World – 19%

## Key Management

**Chairman:**  
Neil Carson  
**CEO:**  
Richard Tyson  
**CFO:**  
Mark Hoad

## Share information

**Listing:**  
London Stock Exchange  
**Ticker symbol:**  
TTG  
**Sector:**  
Electronic and Electrical Equipment

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