

Financial Highlights**

(MILLIONS OF DOLLARS, EXCEPT PER-SHARE AMOUNTS)	2017 ⁽¹⁾	2016	2015	2014 ⁽¹⁾	2013 ⁽¹⁾
SWK					
Revenue	\$ 12,747.2	\$ 11,406.9	\$ 11,171.8	\$ 11,338.6	\$ 10,889.5
Gross Margin—\$	\$ 4,824.8	\$ 4,267.2	\$ 4,072.0	\$ 4,104.5	\$ 3,933.2
Gross Margin—%	37.8%	37.4%	36.4%	36.2%	36.1%
Working Capital Turns	8.9	10.6	9.2	9.2	8.1
Free Cash Flow*	\$ 976	\$ 1,138	\$ 871	\$ 1,005	\$ 528
Diluted EPS from Continuing Operations	\$ 7.45	\$ 6.51	\$ 5.92	\$ 5.67	\$ 4.98
Tools & Storage					
Revenue	\$ 8,862.4	\$ 7,469.2	\$ 7,140.7	\$ 7,033.0	\$ 6,705.0
Segment Profit—\$	\$ 1,531.9	\$ 1,266.9	\$ 1,170.1	\$ 1,078.5	\$ 969.6
Segment Profit—%	17.3%	17.0%	16.4%	15.3%	14.5%
Industrial					
Revenue	\$ 1,946.0	\$ 1,840.3	\$ 1,938.2	\$ 2,044.4	\$ 1,888.6
Segment Profit—\$	\$ 352.3	\$ 304.4	\$ 339.9	\$ 354.3	\$ 300.3
Segment Profit—%	18.1%	16.5%	17.5%	17.3%	15.9%
Security					
Revenue	\$ 1,938.8	\$ 2,097.4	\$ 2,092.9	\$ 2,261.2	\$ 2,295.9
Segment Profit—\$	\$ 214.3	\$ 269.2	\$ 239.6	\$ 266.1	\$ 273.0
Segment Profit—%	11.1%	12.8%	11.4%	11.8%	11.9%

(1) Excludes merger and acquisition-related charges, with the exception of Free Cash Flow. 2017 EPS also excludes net gain on sales of businesses and one-time net tax charge related to recently enacted tax legislation.

* Free Cash Flow = Net cash flow from operating activities less capital and software expenditures.

** In the first quarter of 2015, the Company combined the legacy CDIY business with certain complementary elements of the legacy IAR and Healthcare businesses (formerly part of the Industrial and Security segments, respectively) to form one Tools & Storage business. As a result of this change, the former CDIY segment was renamed Tools & Storage. The results from 2013–2014 were recast to align with this change in organizational structure. There was no impact to the consolidated financial statements of the Company as a result of this change.