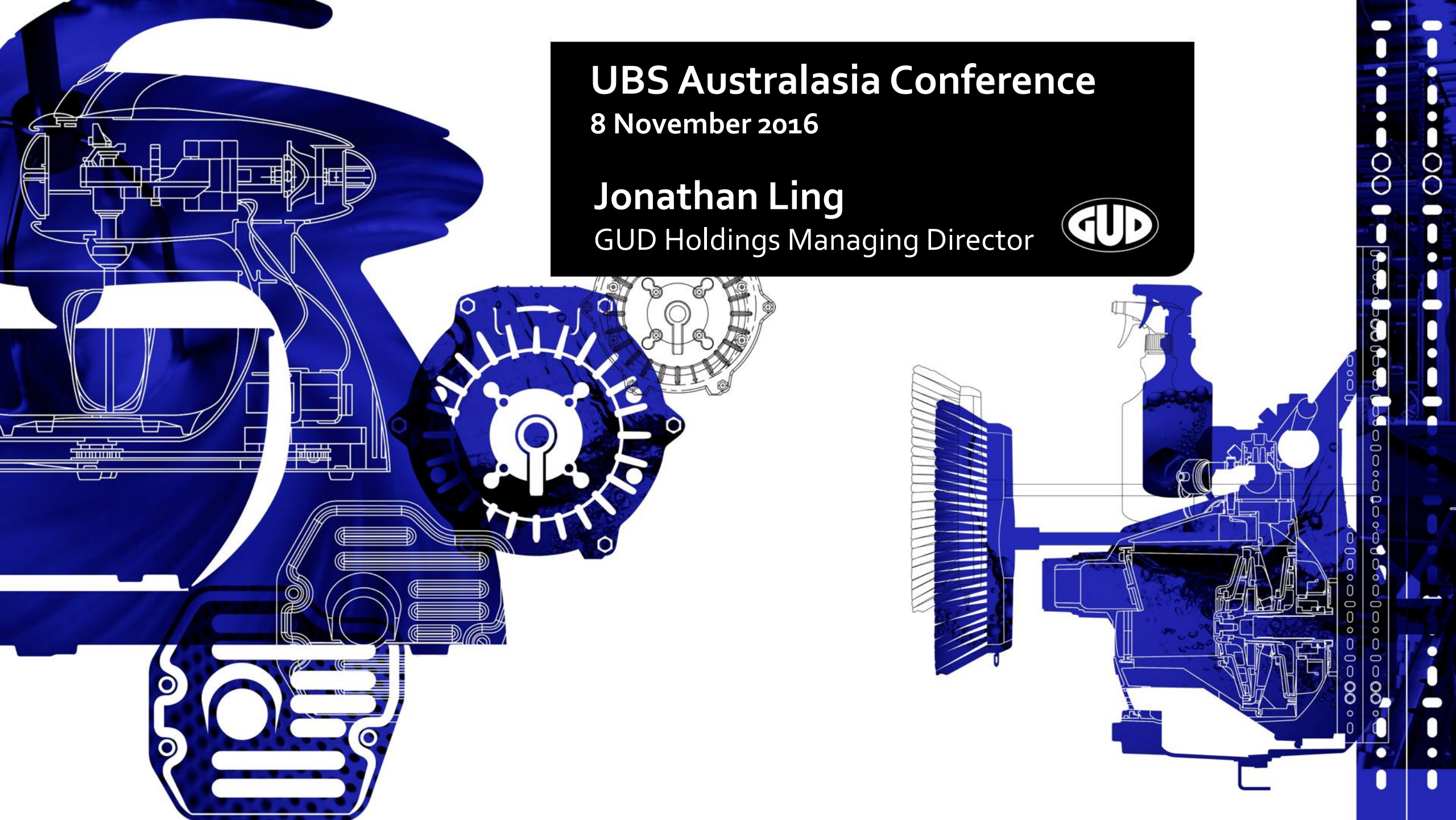


UBS Australasia Conference

8 November 2016

Jonathan Ling

GUD Holdings Managing Director



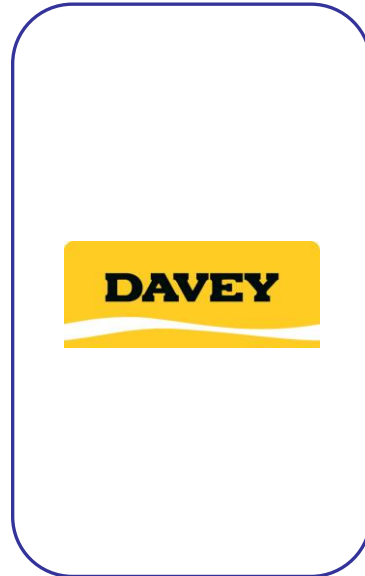
The GUD group

Automotive



Automotive filters
Heavy duty filters
Fuel pumps
Ignition coils
Wiper blades
Automotive lighting
Battery maintenance and power products

Davey



Household water pumps
Rainwater harvesting systems
Swimming pool pumps, filters and salt chlorinators
Water quality improvement Products
Farm and irrigation water supply
Domestic fire protection

Oates



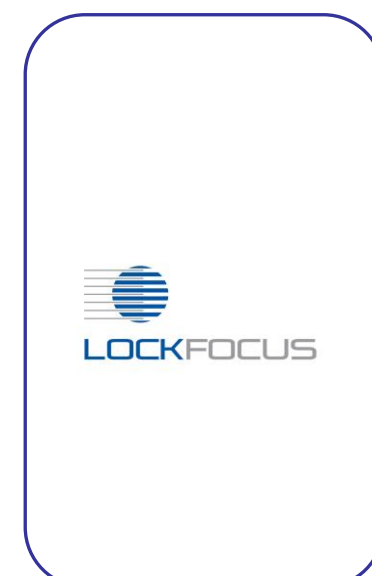
Mops and buckets
Brooms and brushes
Cloths and wipes
Janitorial trolleys
Speciality cleaning chemicals

Dexion



Industrial warehouse racking products and systems
Commercial storage products and systems

Lock Focus



Industrial warehouse racking products and systems
Commercial storage products and systems

FY16 result key points

- Reported NPAT of (\$43.0 million) compared with \$33.2 million previously
 - Dexion goodwill and inventory non-cash impairment of \$75.7 million pre-tax
 - Brown & Watson payment maximised of \$10.6 million treated as an expense
 - Continuing operations Underlying NPAT increased 36% to \$44.4 million
- Underlying EBIT from continuing operations increased to \$78.6 million from \$51.6 million
 - Automotive business EBIT of \$66.7 million, with a strong contribution from Brown & Watson
 - Strong underlying EBIT growth in Davey, up 27% to \$12.1 million
- Sunbeam re-classified as discontinued operation following sale
 - Underlying EBIT contribution of \$2.2 million for FY16
 - Initial consideration of \$35.4 million received on 1st July
- Operating cash flow more than doubled to \$70 million from \$30 million previously
 - Cash conversion improved to 101% from 62% previously

Financial summary

\$ million	FY15	FY16	% Change	
Revenue from Continuing Operations	497.1	595.5	20%	Growth in Automotive and Davey partly offset by decline in Dexion
Underlying Continuing Operations EBITDA	58.3	86.1	48%	
Depreciation	(4.4)	(6.0)		
Amortisation	(2.3)	(1.5)		
Underlying Continuing Operations EBIT	51.6	78.6	52%	
Net Finance Expense	(7.2)	(14.6)		
Underlying Profit before Tax	44.5	64.0		Predominantly Dexion impairment and Brown & Watson earn-out
Tax	(11.8)	(19.6)		
Underlying Continuing Operations NPAT	32.7	44.4	36%	
Transaction & Impairment Costs After Tax	(1.6)	(85.3)		
Contribution from Discontinued Operations	2.1	(2.1)		Contribution from Sunbeam joint ventures
Reported NPAT	33.2	(43.0)		
EPS & Dividend - cents				
Underlying EPS	48.1	50.3	5%	
Reported EPS	46.0	-50.5		
Final Dividend	22.0	23.0	5%	

Cash generation and capital position

- Significant improvement in cash generation to \$70 million due to:
 - Receipts from customers up \$126 million
 - Reduction in inventories in second half as a result of management focus
 - Improvement in second half cash generation to \$51 million
- Net debt reduced from \$191 million at 31 December 2015 to \$168 million at 30 June 2016
 - Will further reduce by \$35.4 million from proceeds received on 1st July for sale of Sunbeam less Brown & Watson earn out payment to be made in early August
- Underlying earnings per share improved from 48.1 cents to 50.3 cents on the expanded share base – to 85 million from 72 million weighted average shares on issue
- Final dividend increased to 23 cents per share fully franked from 22 cents previously
 - Total dividends for FY16 of 43 cents per share, up from 42 cents previously
 - Payout ratio of 85% of underlying EPS

Impairment and other one off costs

- \$87.3 million in pre-tax impairment and other costs attributable to:
 1. Tough recent trading and near term outlook, resulting in decision to record a non-cash write down in the holding value of the investment in Dexion by \$75.7 million:
 - \$59.4 million goodwill, \$10.3 million brand names, \$4 million inventory and \$1.9 million in product development costs
 - \$56.7 million taken in second half following \$19.0 million in H1
 - All goodwill now written off
 - GUD's holding value in Dexion now stands at \$44 million
 2. The strong profit performance of Brown & Watson triggered the maximum earn-out level payable to prior shareholders of \$20 million, \$10.6 million more than anticipated
 3. \$1 million in Davey inventory impairment incurred in, and reported at, the first half

Contribution from continuing operations

	Share of Revenue		Share of Operational EBIT*	
	FY15	FY16	FY15	FY16
Automotive	20%	39%	54%	78%
Davey	21%	18%	16%	14%
Oates	14%	12%	19%	12%
Lock Focus	2%	2%	1%	1%
Dexion	43%	29%	9%	-4%

* Operational EBIT is underlying EBIT before unallocated costs

- Automotive is now clearly the dominant contributor to both revenue and EBIT
- Automotive's growing and more reliable earnings profile will underpin future profitability
- Dexion remains an under-contributor at the EBIT level

Automotive

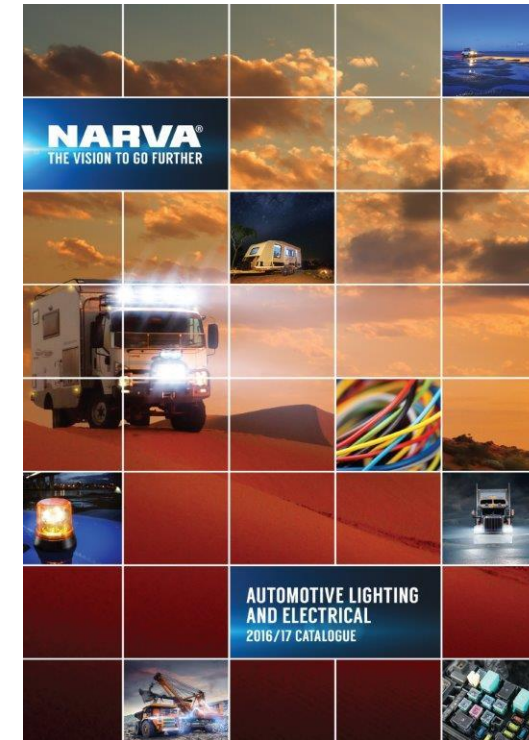
\$ million	FY15	FY16	% Change
Sales	101.4	229.9	127%
EBITDA	32.9	68.2	108%
Depreciation	(0.5)	(1.5)	
Amortisation	0.0	0.0	
EBIT	32.3	66.7	106%
<i>EBIT/Sales %</i>	32%	29%	



- Ryco and Wesfil contribution of \$112m sales and \$36m EBIT – solid growth on prior year
- Wesfil and Ryco growth due to:
 - New product activity - diesel particulate filters, Japanese truck filters, Syntec high efficiency filters
 - Expansion in customer base
 - Increase in number of workshops using Ryco brand filters
 - Innovative marketing activations
- Brown & Watson full year contribution of \$117m in revenue and \$31m EBIT

Brown & Watson

- Brown & Watson contributions significantly exceeded initial expectations:
 - Momentum continued with substantial new product activity across the year
 - Additional new product introductions associated with Narva catalogue publication in February 2016 further boosted sales
 - Integration into GUD purchasing arrangements commenced with EBIT contribution in the year from ocean freight, local freight and insurance
 - Commencement of GUD management systems and philosophies – profitability analysis, high performance culture and innovation initiative
 - Joint customer focused activities initiated with Ryco business including promotions and cross-selling
 - Acquired Narva NZ distributor - Griffiths Equipment - on 1 October 2016
 - ▶ Additional sales of \$8 million and EBIT contribution of \$2m annually



Davey

\$ million	FY15	FY16	% Change
Sales	102.6	107.5	5%
Underlying EBITDA	10.9	13.4	22%
Depreciation	(1.4)	(1.2)	
Amortisation	(0.0)	(0.1)	
Underlying EBIT	9.5	12.1	27%
<i>EBIT/Sales %</i>	9%	11%	



- Sales growth contributions from Australian and European businesses
 - Altered local sales structure with more emphasis on key accounts
 - Increased ranging in European distributor due to new pool products
- Internal efficiency improvements and procurement savings contributed to profit uplift
 - Substantial benefits from local freight cost improvement program
- Pool products business now profitable
- Benefits of prior year's profitability analysis flowing from on-going sales force effectiveness program

Oates

\$ million	FY15	FY16	% Change
Sales	70.2	72.0	2%
EBITDA	12.2	11.0	-10%
Depreciation	(0.6)	(0.8)	
Amortisation	(0.1)	0.0	
EBIT	11.5	10.2	-11%
<i>EBIT/Sales %</i>	16%	14%	



- Sales growth driven by record performance in commercial/industrial segment
- Difficulty in achieving price increases in grocery and hardware segments needed to recover higher product costs due to currency
- Future focus on product innovation directed at the higher returning commercial/industrial segment

Lock Focus

\$ million	FY15	FY16	% Change
Sales	10.7	10.6	0%
EBITDA	1.4	1.2	-13%
Depreciation	(0.6)	(0.5)	
Amortisation	0.0	(0.0)	
EBIT	0.8	0.6	-21%
<i>EBIT/Sales %</i>	<i>7%</i>	<i>6%</i>	



- Increased investment in new products restrained financial performance
- Increasing sales momentum from new products expected in 2016-17

Dexion

\$ million	FY15	FY16	% Change
Sales	212.2	175.6	-17%
Underlying EBITDA	8.8	(0.6)	
Depreciation	(1.2)	(1.9)	
Amortisation	(2.2)	(1.3)	
Underlying EBIT	5.4	(3.8)	
<i>EBIT/Sales %</i>	3%	-2%	



- Second half performance below expectations due to structural change in the commercial products market and lower than anticipated project orders in the racking business
- Lower demand led to Malaysian factory under-recoveries
- Cash generation well ahead of prior year
- Internal cost structures being addressed contributing to profit generation each month in last quarter:
 - Commercial business unit structure integrated into rest of Dexion
 - Factory efficiency performance improvements underway
 - Dexion internal processes being streamlined

Discontinued operation - Sunbeam joint ventures

- Sale of GUD's interest in the Sunbeam ANZ and Asian joint ventures announced on 14th April 2016, effective 1st July 2016
- \$35.4 million received on 1st July
- Final adjustment to be determined when accounts are completed by end September 2016
- Business now operating under Jarden management and all staff transferred with the sale



Outlook

- Continued growth is expected from the Automotive businesses
 - New product activity in all three businesses
 - Contribution from 2017 Projecta brand catalogue release
 - Contribution from recent Griffiths Equipment (NZ) acquisition
- Dexion turnaround expected to deliver around break even result
 - Strategic options for Dexion being considered
- Oates margin pressure continues
- Q1 demand for Davey affected by weather but H2 improvement expected
- Lock Focus sales momentum to benefit from new products
- Strong financial position supports organic and acquisition growth
- Expect FY17 underlying EBIT around \$85 million

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