



GWA
Group Limited

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6 December 2010

ASX On-Line
Manager Company Announcements
Australian Securities Exchange

Dear Sir

Presentation to Morgan Stanley

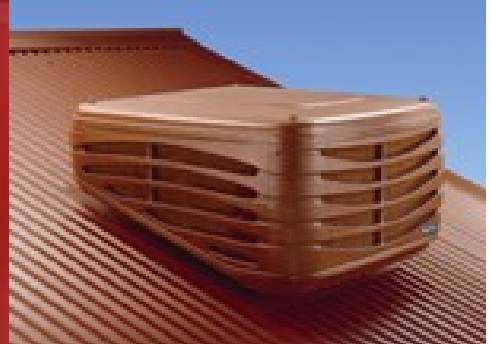
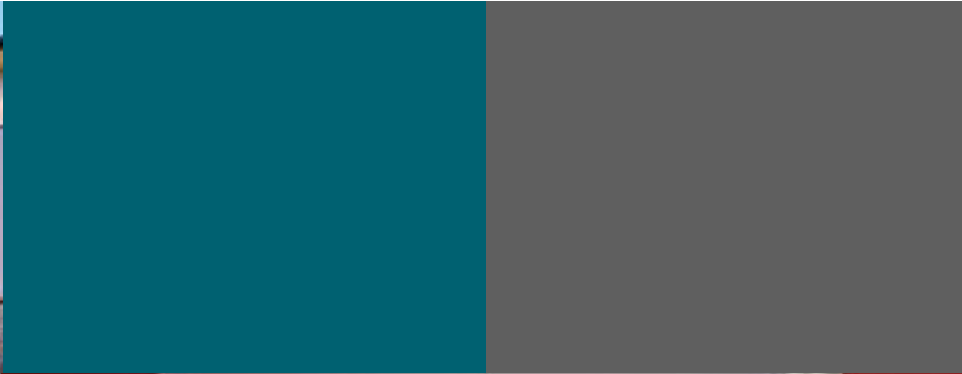
Attached is a copy of the Presentation given by the Managing Director, Mr Peter Crowley, to Morgan Stanley in Sydney today.

Yours faithfully



R J Thornton
Executive Director





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Presentation to Morgan Stanley 6 December 2010

Presented by:

**Peter Crowley
Managing Director**



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▪ **GWA's Growth Strategy**





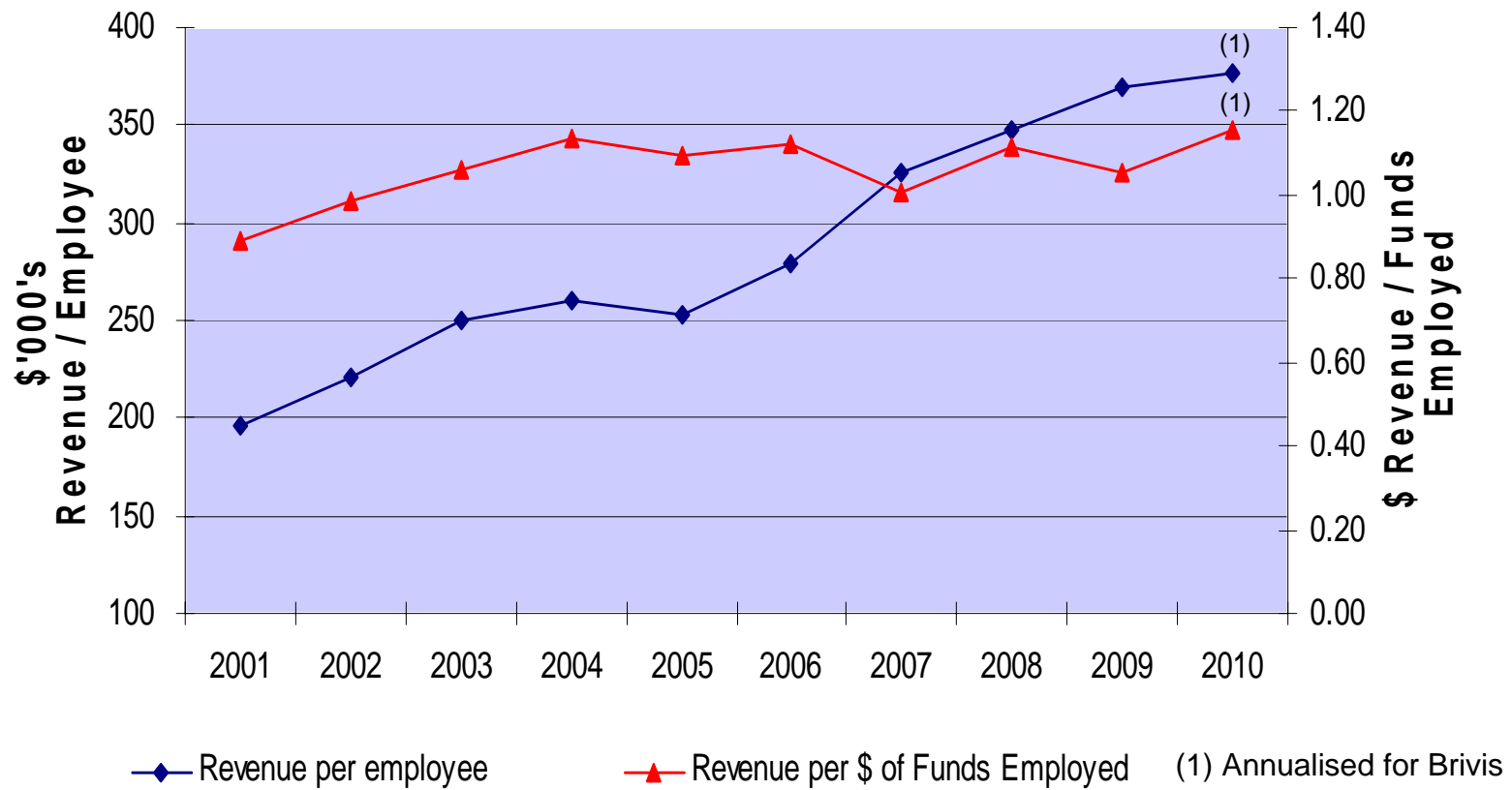
GWA's Growth Strategy

Focussed on driving:

- Organic Growth – investing in R & D, people, systems and supply chain to enhance our customer value proposition and business efficiency
- Inorganic Growth – pursuing acquisitions which add scale to the Group in product and market adjacencies and which meet our financial and strategic criteria



IMPROVED CAPITAL AND LABOUR EFFICIENCY UNDERPINS OUR COMPETITIVENESS





Our Strategy Has Led to Redefining our Businesses

- GWA has historically defined its businesses by the brands it markets
- This constrains the way we look at the markets where we can grow
- Our core businesses are now defined as
 - GWA Bathrooms and Kitchens
 - GWA Heating and Cooling
 - GWA Door and Access Systems
- This strategy more than doubles the market size in which we will compete and grow the business in the future



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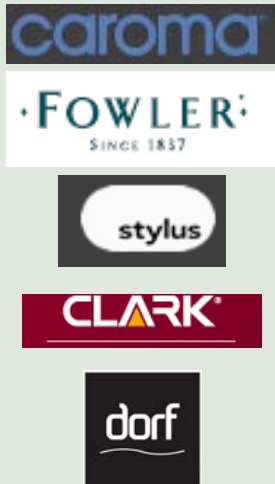


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GWA
Bathrooms & Kitchens

Innovative wet room products and water control technologies for residential and commercial applications



GWA
Heating & Cooling

Heating & cooling technologies for residential and commercial applications



GWA
Door & Access Systems

Access and security technologies for residential and commercial applications



GWA
Commercial Furniture

Educational and commercial furniture solutions





GWA is Well Positioned to Pursue Inorganic Growth Opportunities

- Capacity to fund acquisitions up to \$100 million through debt and \$300-\$400 million through debt plus equity
- We have clear financial and strategic criteria for growth which underpins our work
- Five transactions in past 18 months have honed execution skills
- Focus is on growth through product (eg. Austral Lock) and market adjacencies (eg. Brivis Climate Systems and Gliderol Garage Door & Openers)



Gliderol Garage Door and Openers Acquisition

- GWA have today announced the acquisition of Gliderol for \$42 million
- Purchase price represents approximately 5.5 times sustainable EBITDA
- Annual sales revenue of approximately \$70 million



Acquisition Rationale

- Gliderol fits GWA strategy of developing profitable growth within the building fixtures and fittings sector
- The financial metrics and strategic direction meet GWA criteria
- Gliderol has a similar builder customer base to our building fixtures and fittings businesses
- The inclusion of Gliderol in the GWA Door & Access Systems Division will strengthen our market offer in residential and commercial access systems enabling further growth in those markets.



Gliderol Overview

- A leader in the manufacture and supply of garage doors to the Australian market
- Has been in operation for over 36 years as a family owned and operated business
- Based at Holden Hill Adelaide, with State based factories and distribution
- Employs approx 280 staff
- Managed by an experienced executive team who will remain with the business
- Consistent record of sales growth, with annual revenue approximately \$70 million



Gliderol - Markets

- Nationally, Gliderol competes in the manufacture, sale and distribution of residential garage doors and automatic openers
- Market is highly leveraged to residential housing and new housing starts
- Other demand drivers include renovations and additions and prefabricated buildings
- Distribution channels are approximately 40- 50% direct to builders with the balance spread evenly through dealers, retail and industrial users
- Market leader is B & D. Gliderol and Steeline are the other major suppliers



Gliderol – Product Offering

- Roller doors
- Sectional doors
- Industrial doors
- Tilt doors
- Automatic openers
- Roller shutters
- Garage storage solutions





Gliderol - Operations

- National manufacturing footprint with 5 factories in the major capital cities
- Doors are manufactured utilising roll forming and metal pressing processes
- Automatic Openers are sourced from Taiwan to Gliderol specifications
- Strong track record of efficiency improvement through continuous improvement and operational innovation

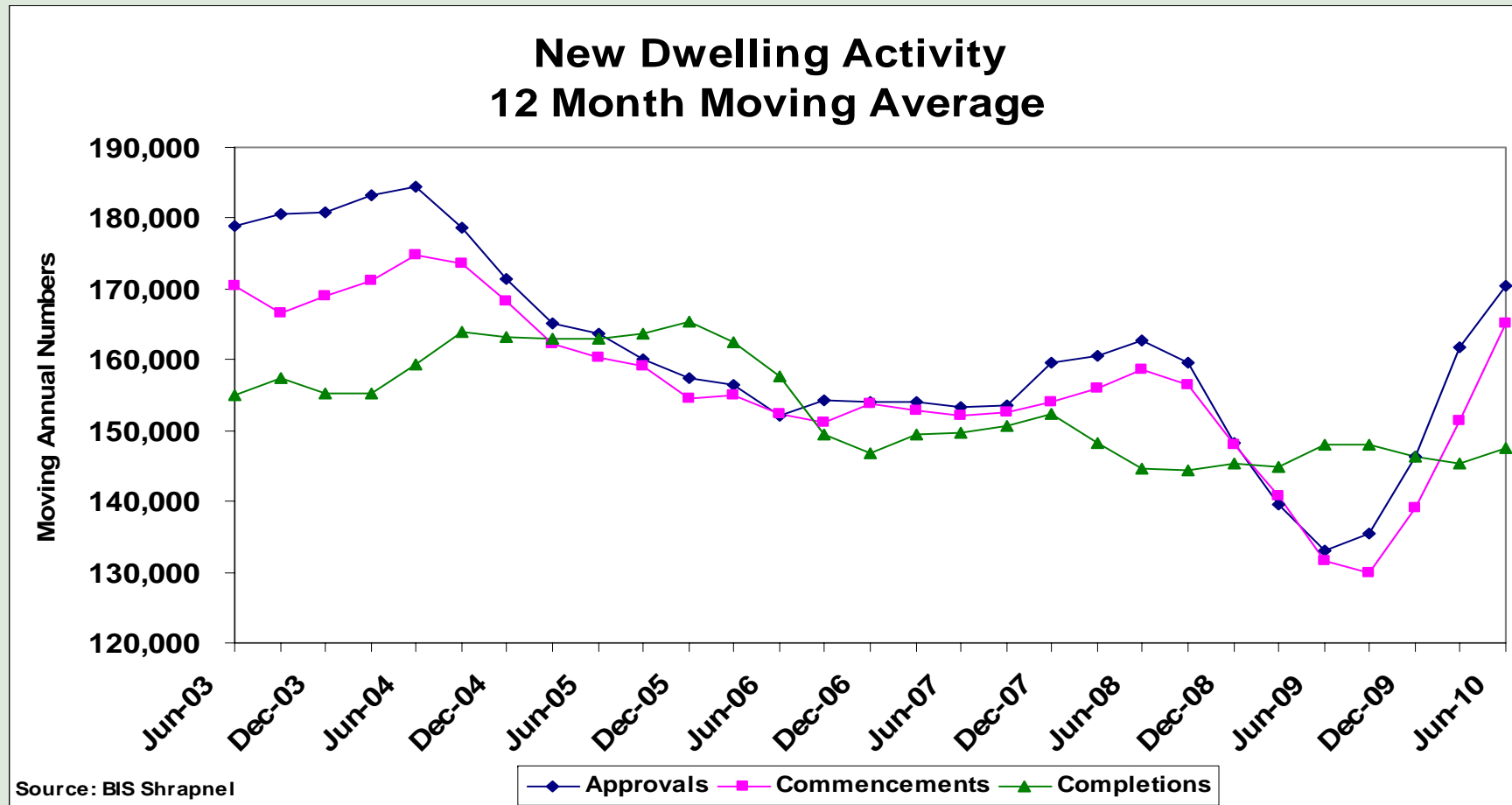


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- **Business Outlook**



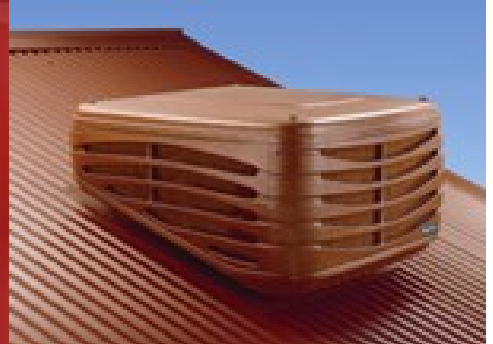
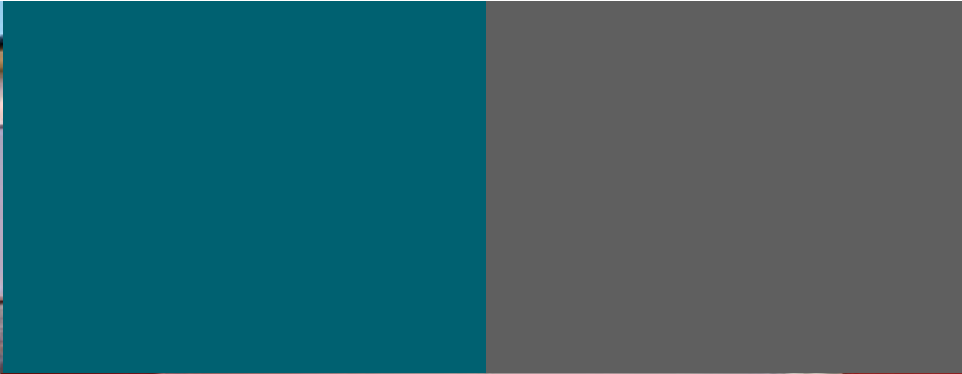
Underlying Improvement in Building Approvals Will Lead to Higher Completions in 2009/10





Short Term Growth Drivers Should Continue to Deliver Increased Earnings

- Y/E June 2010 trading result was up 9.5% and forecast 2011 is for further 10-15% increase
- Both 2010 and 2011 have benefited from Government stimulus measures
- Growth drivers beyond 2011 comprise:
 - Our systems investment is delivering results with cost reductions, service improvements and transparency of margin improvement opportunities
 - Plans are being progressed for further restructuring and cost downs
 - Growth in Door and Access Systems with full year results and synergy benefits from Gliderol
 - Heating and Cooling strategy is targeted to deliver growth post mid 2012
 - Underlying demand is still in excess of our indicative range of 160 – 170,000 housing starts
 - Organic Growth is being achieved in targeted markets
 - Further acquisitions are being investigated



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