GWA
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20 February 2013

ASX On-Line
Manager Company Announcements
Australian Securities Exchange

Dear Sirs

Financial Results Presentation for the Half Year Ended 31 December 2012

We enclose the following document for immediate release to the market:

- Half Year Results Presentation

Yours faithfully

R J Thornton
Executive Director

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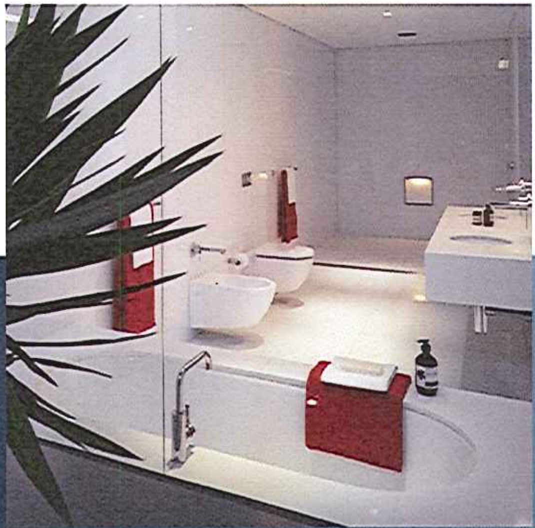

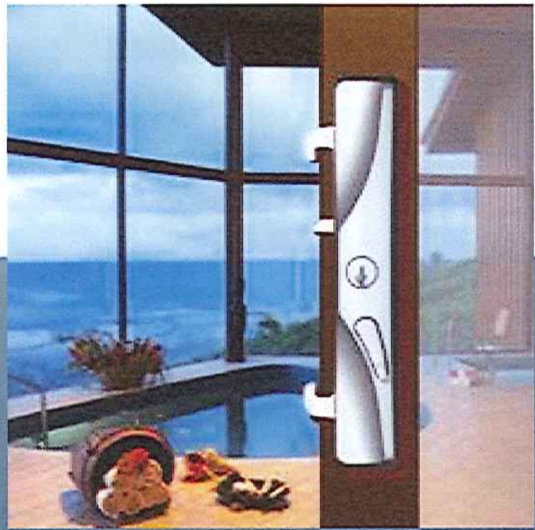

Half Year Presentation
20 February 2013

Presented by: Peter Crowley

Title: Managing Director

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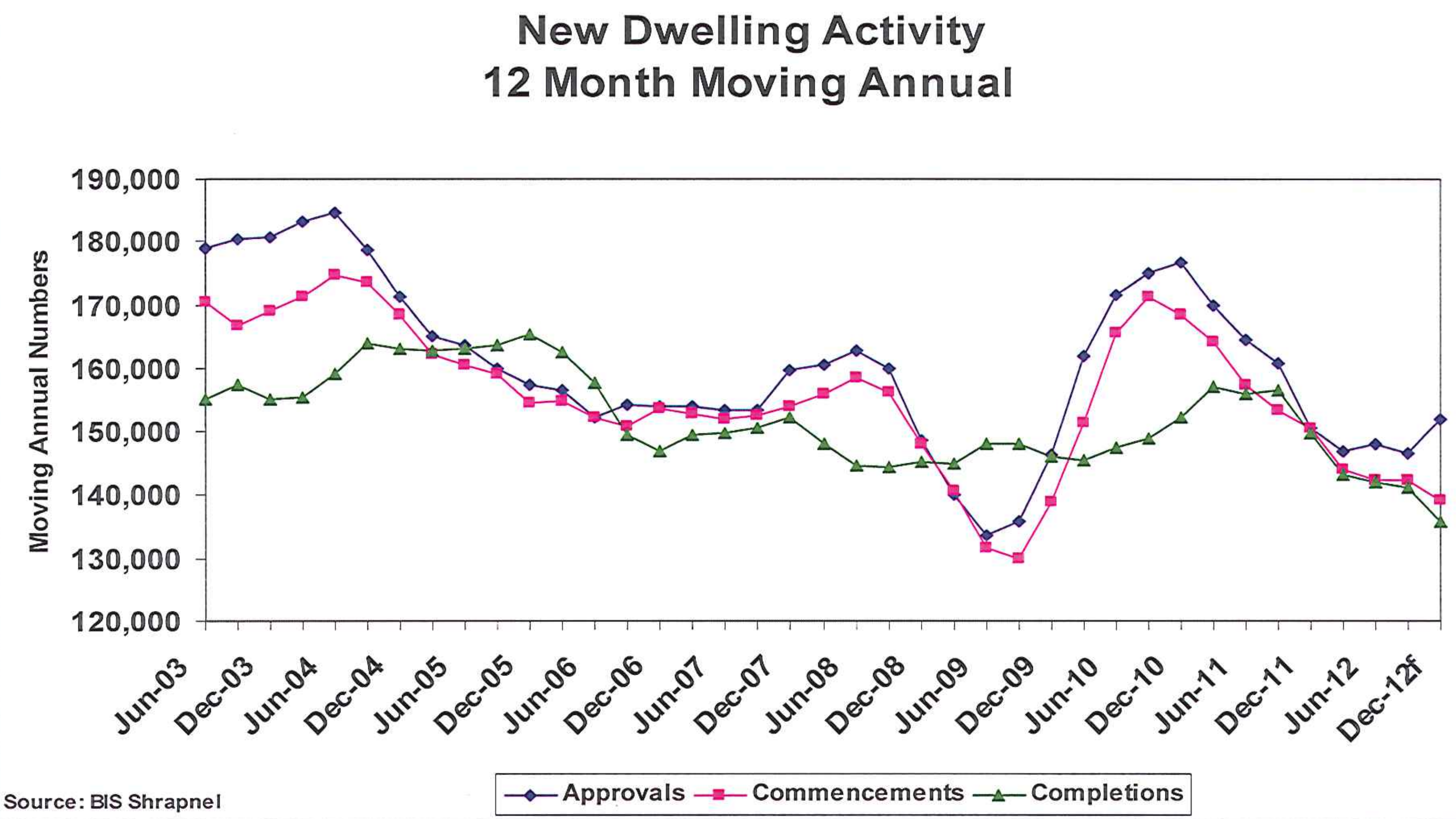
Major Successes & Challenges for the Half Year

- √ Strategic repositioning of the business implemented with 12.5% less employees (223 FTE's) at December 2012 compared to June 2012 (excluding API)
- √ Plant closure and rationalisation savings tracking as expected
- √ Acquisition of API in October 2012
- X Weak trading conditions across all segments
- X Lapping first half in 2011/12 which still included benefits of Government initiatives
- X Underperformance by Gliderol garage door business

Result Highlights – H/Y to 31 December 2012

- Underlying sales on a like for like basis down 10%. Overall revenue down 8% due to inclusion of API
- Trading EBIT down 23%
- QTR 2 sales down 7% on a like for like basis. Overall revenue down 3% due to inclusion of API
- QTR 2 Trading EBIT down 3%. Contribution from API $0.3 million
- Working capital 23% of net sales same as year ago
- Restructuring cost $5.2 million after tax

Weak Dwelling Activity in First Half



Source: BIS Shrapnel

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Results - H/Y to 31 December 2012

$000's	**Half Year 31.12.12**	Half Year 31.12.11	Change
Sales Revenue	**289,873**	314,995	-8.0%
Trading EBIT	**34,579**	44,886	-23.0%
EBIT Margin	**11.9%**	14.2%	
Trading Profit after Tax	**20,899**	27,393	-23.7%

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Results - H/Y to 31 December 2012

$000's	**Half Year 31.12.12**	Half Year 31.12.11
Trading Profit after Tax	**20,899**	27,393
Restructuring Expenses after tax	**-5,168**	-7,457
Net Profit (continuing operations)	**15,731**	19,936

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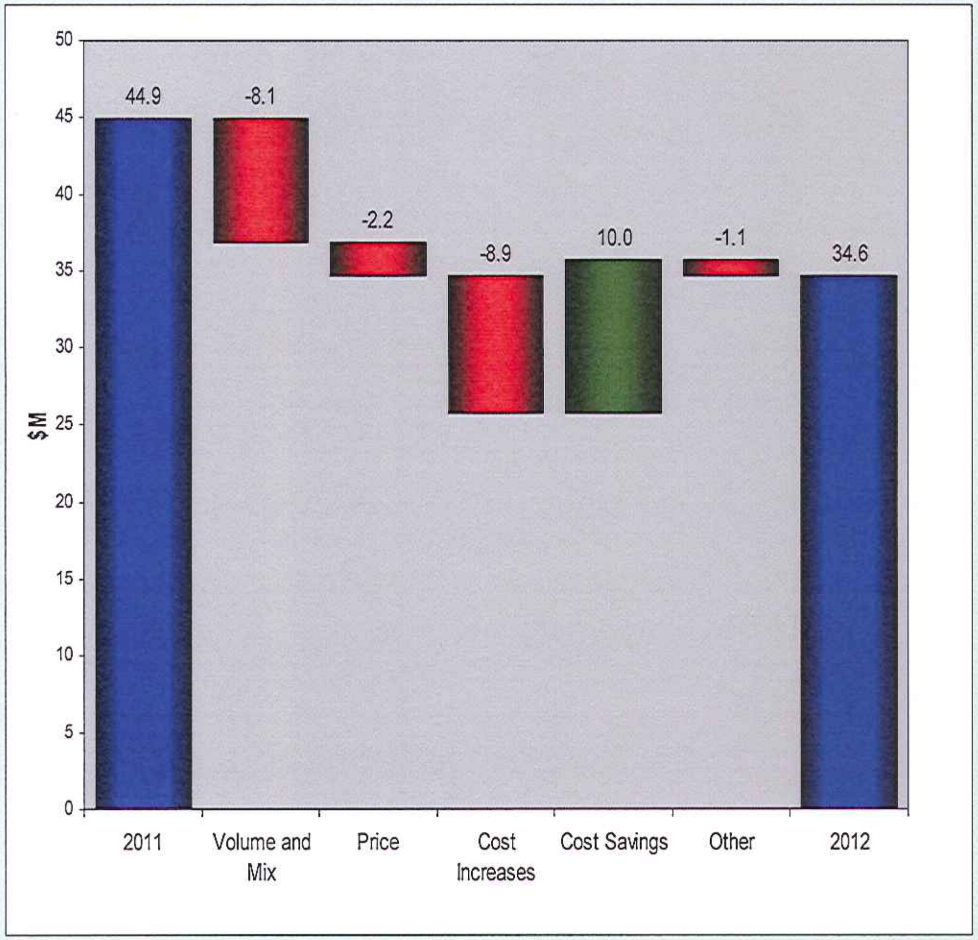
Major Variations in Trading EBIT



- Sales volumes adversely impacted by absence of Government stimulus, low building activity and poor sales of environmental water heaters
- Price has come under pressure in Bathrooms & Kitchens
- Cost increases more than offset by cost savings
- Other includes impact of acquisition costs and strategic consulting

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Segment Results- H/Y to 31 December 2012

$000's Trading EBIT	**Half Year 31.12.12**	Half Year 31.12.11	% Change
Bathrooms & Kitchens	**30,707**	35,940	-14.6%
Heating & Cooling	**4,588**	7,192	-36.2%
Door & Access Systems	**6,481**	8,403	-22.9%
Corporate costs	**(7,197)**	(6,649)	-8.2%
Operations before restructuring, interest and tax	**34,579**	44,886	-23.0%

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Bathrooms & Kitchens

Weak Market Conditions Impacting Demand

A'000	Dec 12	Dec 11	% Change
Sales	147,233	154,512	-4.7%
Trading EBIT	30,707	35,940	-14.6%
EBIT margin	20.9%	23.3%	-2.4% pts
ROFE	14.9%	16.7%	

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- Weak market conditions impacting volume and price
- Sales boosted last year by BER, public housing and rebate programmes
- Offshore supply chain working effectively
- Business restructure will provide greater focus on customer segments

Cessation of Solar Rebates & Weak Market Impacting Earnings

A$000	Dec 12	Dec 11	% Change
Sales	72,247	86,386	-16.4%
Trading EBIT	4,588	7,192	-36.2%
EBIT margin	6.4%	8.3%	-1.9% pts
ROFE	9.6%	15.9%	

- Sales adversely impacted by rebate driven environmental product sales
- Moss Vale cost savings on track
- Business consolidation of Dux into Bathrooms & Kitchens will improve customer segment focus
- Recall of evaporative coolers has not impacted Brivis brand or sales performance

Impact of Lower Residential Building Activity

A$000	Dec 12	Dec 11	% Change
Sales	70,389	74,029	-4.9%
Trading EBIT	6,481	8,403	-22.9%
EBIT margin	9.2%	11.4%	-2.2% pts
ROFE	13.0%	18.9%	

Gainsborough
ENTER WITH STYLE™

GLIDEROL
GARAGE DOORS

Austral Lock®

API
Locksmiths

Hillaldam
SLIDING DOOR SYSTEMS

- Underlying sales down 12%
- Gainsborough business performing well
- Gliderol has under performed
- API acquisition working well and presents opportunities
- Restructure and consolidation of Gliderol into Gainsborough allows for improved customer reach and leverage

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Cash Flow Lower Driven By Weak Market Conditions and Restructuring

$000's	**2012**	2011
Operating cashflow from trading activities	**40,679**	57,255
Restructure cash flows	**(8,384)**	(6,860)
Total operating cash flow (before interest and tax)	**32,295**	50,395
Capital expenditure (net)	**(9,832)**	(12,652)

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Financial Structure is Stable With Facilities Available to Fund Growth

- Total facilities $300 million with maturity in 2014 - 2016
- Net debt of $193 million
- Investment grade metrics allow for targeted bolt on acquisitions from existing facilities

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High Dividend Payout Ratio Maintained

$000's	**2012**	2011
Half Year trading profit after tax for continuing operations	**20,899**	27,393
Trading earnings per share	**6.9 cents**	9.1 cents
Interim Dividend	**6.0 cents**	9.5 cents

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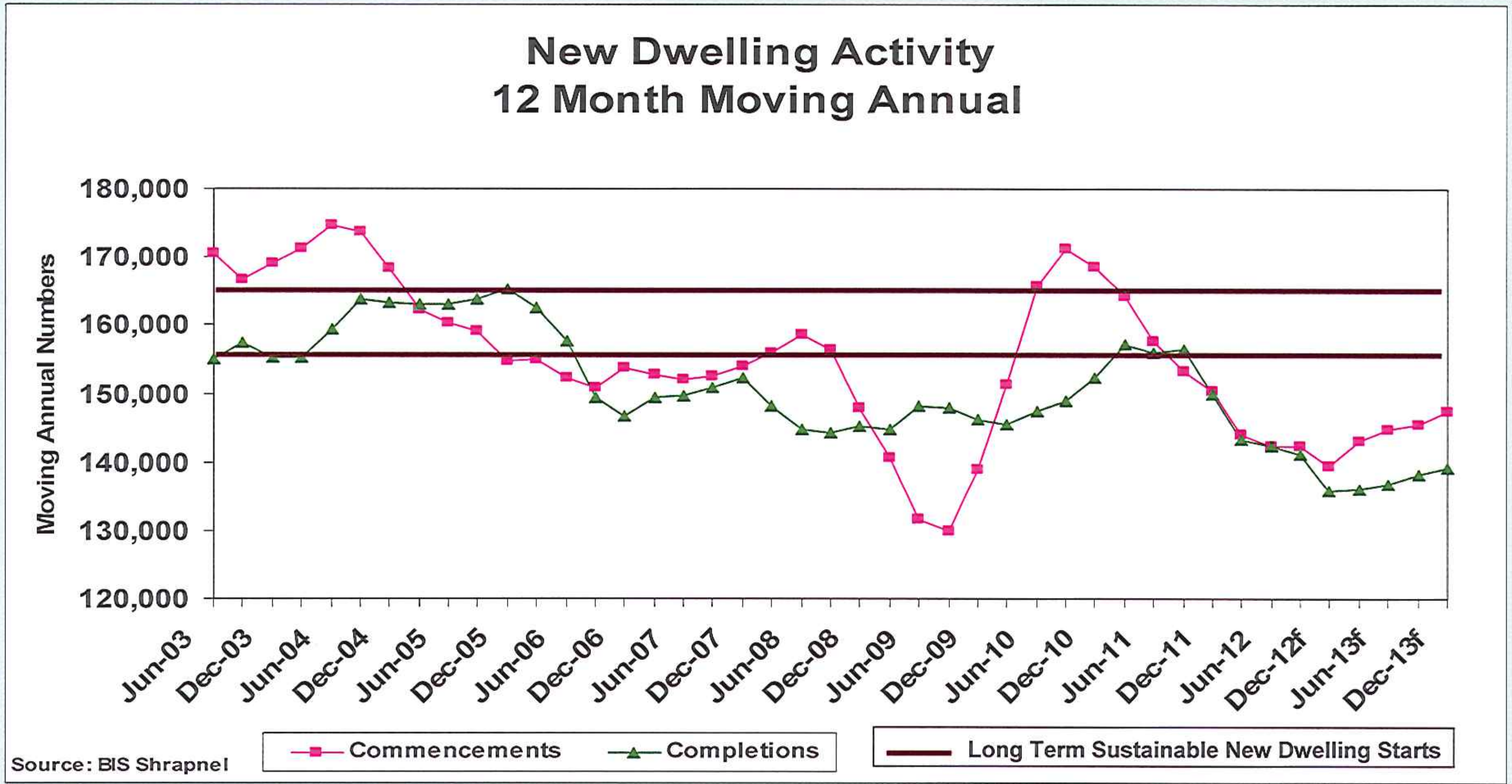
New Dwelling Activity May Have Bottomed But Improvement Could be Slow



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Growth Options Continue To Be Assessed

- Recent investigations into potential acquisitions have not uncovered opportunities which meet our financial and strategic criteria
- Small acquisitions that leverage scale are possible in the short to medium term

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Priorities for Second Half Year

- Bed down the new organisational changes following the restructure announced in December
- Commence the execution of the strategic plans which underpinned the restructure
- Finalise the range rationalisation in Bathrooms & Kitchens
- Commence the supply chain initiative for Bathrooms & Kitchens, Dux and Gainsborough
- Progress non-core property sales

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Our Focus for 2012/13 is to Build a Stronger Business so we can Capture the Upside when Building Activity Improves

- Re-align the business with greater focus on customer segments
- Strengthen the balance sheet through sale of non-core assets
- New product offers eg G+ electronic access systems, 5 star gas, Marc Newson designed / branded bathroom range
- Leverage the API acquisition
- Add value to key market channels through efficient supply chain, installed product offers, use of technology and demonstrating brand value

2012/13 Full Year Outlook

- Second half sales expected to be flat to the first half
- Trading EBIT expected to improve 1% - 3% on the first half due to API and positive impact of restructuring
- Further business improvement opportunities are being assessed

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Non-IFRS Financial Measures

Given the significance of the restructuring expenses the Directors believe the presentation of non-IFRS financial measures is useful for the users of this document as they reflect the underlying financial performance of the business. The above non-IFRS financial measures have not been subject to review or audit by KPMG.

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