



**GWA**  
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15 May 2013

ASX On-Line  
Manager Company Announcements  
Australian Securities Exchange

Dear Sir

**Presentation to Goldman Sachs**

Attached is a copy of the Presentation given by the Managing Director,  
Mr Peter Crowley, to Goldman Sachs at its Emerging Companies Conference  
in Sydney today.

Yours faithfully

**R J Thornton**  
Executive Director





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# **Presentation to Goldman Sachs Australia Pty Ltd Emerging Companies Conference**

Presented by:

Peter Crowley

Title:

Managing Director

15 May 2013



**GWA**  
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# **Overview of GWA Group**



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# Bathrooms & Kitchens

## Sanitaryware

Caroma®

18 X 37  
FOWLER  
BATHWARE

stylus

## Kitchen sinks & Laundry tubs

CLARK®

RADIANT

## Tapware

dorf

Caroma®

## Hot Water

dux  
thinkhotwater

ecosmart®  
Solar

SWISS EXCELLENCE

KWC  
FAUCETS

HANSA



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# Door & Access Systems

Door Furniture



Garage Doors



Commercial Locksmithing





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# Heating & Cooling

## Ducted Heating & Cooling





# Targeted Market Segments

## Bathrooms & Kitchens

- Acute fix / replacement
- Value consumer
- Project builders
- Major projects
- Style consumer

## Door & Access Systems

- Acute fix / replacement
- Value consumer
- Project builders
- Major projects

## Heating & Cooling

- Acute fix / replacement
- Project builders





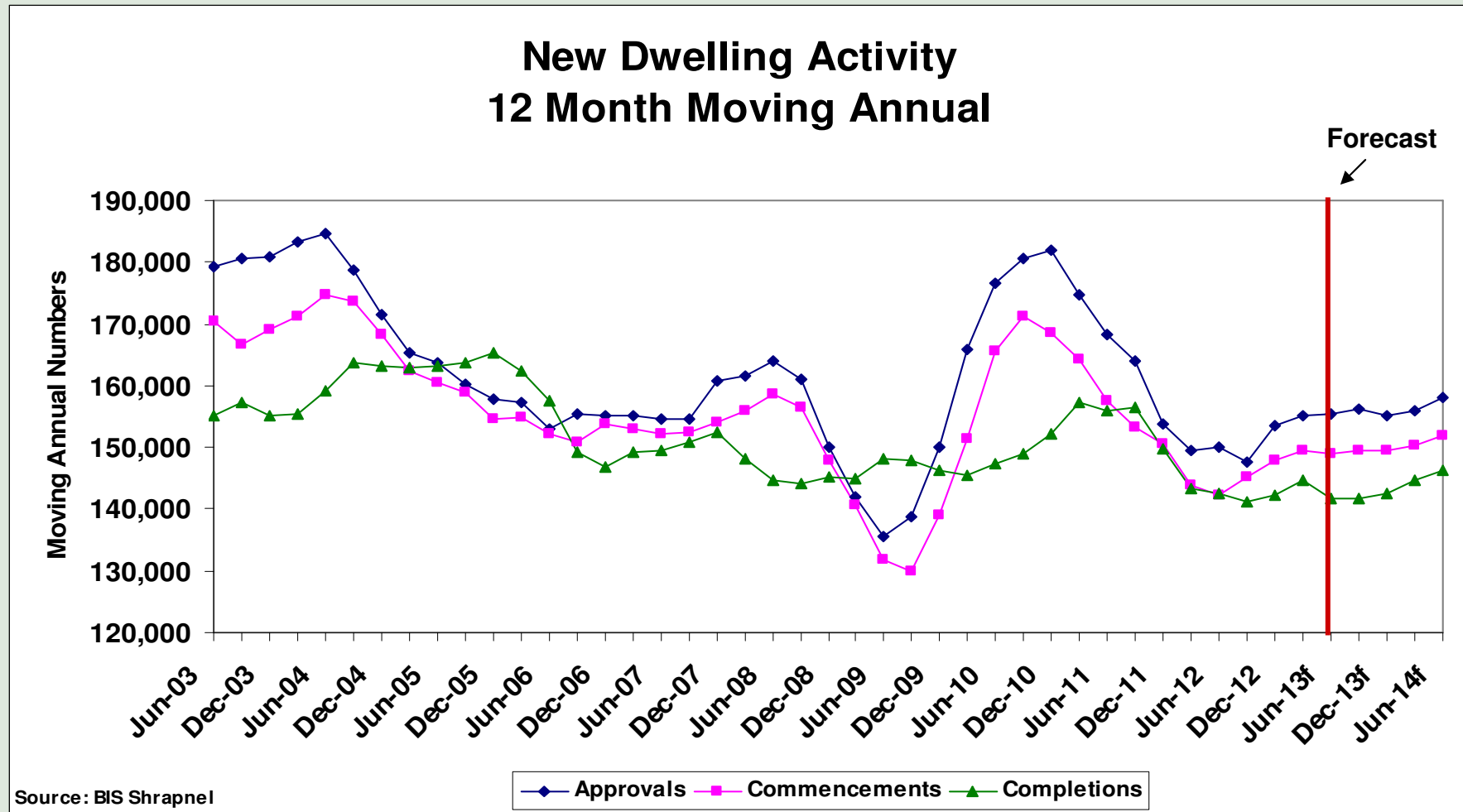
## Drivers of Demand

We believe that demand for GWA's products is generated by:

- New dwelling construction 30-35%
- Renovation & replacement 50-55%
- Commercial building (non dwelling) 10-15%



## Dwelling Activity Recovering Slowly





## Results - H/Y to 31 December 2012

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

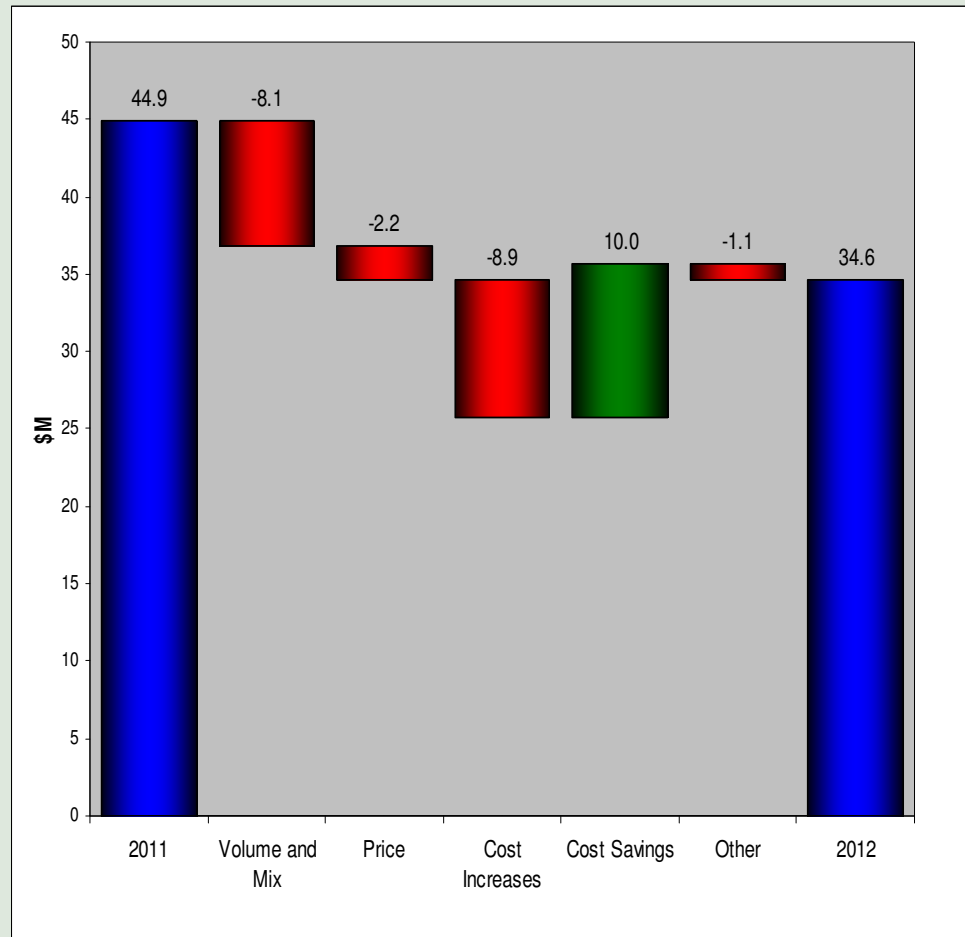


## Results - H/Y to 31 December 2012

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



## 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



## Current Business Priorities

During the second half our main priorities have been:

- To bed down the new organisational changes following the December 2012 restructure and deliver the savings
- To implement the strategic plans which underpinned the restructure
- And we are simplifying the business:
  - Range rationalisation in Bathrooms & Kitchens
  - Bedding down the ERP system roll out
  - Rolling out Shared Services



## **Financial Structure is Stable With Facilities Available to Fund Growth**

- Total facilities \$275 million with maturity in 2016 - 2018
- Net debt of \$180 million
- Investment grade metrics allow for targeted bolt on acquisitions from existing facilities



# GWA Overarching Strategy

- Our strategy is consistent for the Group and for each Division
- This strategy is built around FOCUS, REACH and LEVERAGE
- FOCUS is to grow in targeted market segments where GWA can sustain long term competitive advantage
  - Organic growth will be achieved by FOCUS on better service and improved business efficiencies
  - Inorganic growth via FOCUS on acquiring businesses or distribution rights for products/services which complement our offer to targeted market segments
- We will REACH and influence key decision makers across our target market segments through
  - A clear understanding of their needs
  - With a value proposition that meets their needs
  - With a value proposition to aligned channel partners serving the target market segments
- GWA will maximize competitive advantage through LEVERAGE to ensure the most efficient structures are in place





## **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

