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GWA
Group Limited

ABN 15 055 964 380
t 61 7 3109 6000
f 61 7 3852 2201
www.gwagroup.com.au

Level 2, HQ (South Tower)
520 Wickham Street
Fortitude Valley
QLD 4006

GPO Box 1411
Brisbane QLD 4001

ASX On-Line

Manager Company Announcements
Australian Securities Exchange

Dear Sir

FY15 Trading Update

GWA anticipates trading EBIT before restructuring costs and significant items for FY15 of approximately \$67-69 million. That figure is provided on the same basis as the guidance given in February 2015, i.e. it includes the Gliderol business but excludes the Dux and Brivis businesses which were sold earlier this year.

Based on information currently available if Gliderol was excluded the trading EBIT before restructuring costs and significant items for FY15 would be in the order of approximately \$71-73 million. All of the above numbers are subject to audit; full details including comparative numbers to FY14 will be provided with the release of the FY15 results.

Sale of Gliderol Business

GWA previously announced its intention to exit the garage door market by selling Gliderol to allow for a total focus on its core businesses. That exit is consistent with our future strategy of being focused on the development and distribution of innovative branded building products.

Accordingly following a competitive sale process GWA advises it has entered into a sale agreement with Reliance Doors Pty Ltd to sell Gliderol for \$7 million, subject to a working capital adjustment, with the sale expected to complete on 31 July 2015.

GWA anticipates a non-cash impairment charge against the Gliderol business of approximately \$25 million which will be recorded as a significant item in the company's financial accounts for FY15.

Restructuring Initiatives

To further support the implementation of the strategy review, GWA will restructure its group operations to drive greater focus across its businesses, re-align the cost base to adjust for the divested businesses, and further capture supply chain efficiencies.

GWA anticipates it will incur net pre-tax one-off costs of approximately \$7-9 million which will be recorded as a significant item, within continuing operations, in the company's financial accounts for FY15.

Outlook

GWA has now completed the disposition components of the recent strategy review subject only to the completion of the sale of certain equipment at Wetherill Park which is being advanced. GWA's focus will now be on the core Bathrooms & Kitchens and Door & Access Systems businesses where the Group has strong, market-leading positions.

GWA's financial position remains solid with low debt and strong cash flow generation. As a result, the Board will consider a range of future capital management initiatives in FY16.

GWA expects to report its full year earnings on 18 August 2015.

For further information call:
Peter Crowley
GWA Group Limited
(07) 3109 6000

Tim Allerton
City PR
(02) 9267 4511