



GALE PACIFIC

2014 Annual General Meeting

GROUP MANAGING DIRECTOR'S PRESENTATION

Nick Pritchard



REGIONAL BUSINESS UPDATE



International Businesses

- Strong growth in all of our international regions

Region	Sales (US\$ Million)	Change on FY13	EBITDA (US\$ Million)	Change on FY13	EBITDA /Sales %
Americas	\$32.9	+27%	\$3.0	+43%	9.1%
Middle East	\$11.1	+14%	\$2.4	+26%	21.6%
China – Internal	\$38.9	+36%	\$9.0	+18%	19.1%
China – Other Overseas Markets	\$8.3	+9%			

Australasia

Region	Sales (A\$ Million)	Change on FY13	EBITDA (US\$ Million)	Change on FY13	EBITDA /Sales %
Australia/New Zealand	\$79.9	+4%	\$1.7	-73%	2.1%

- Margins declined due to higher raw material and supply chain costs, weaker Australian dollar and change in sales mix
- Restructuring, ERP system implementation challenges and acquisition integration affected earnings
- Considerable progress was made in the Australian transformation

STRATEGY



Strategic Initiatives

PLAN

Create a more **focused, innovative, globally collaborative** business geared towards **improving service** and **leveraging our global scale**

FOCUSED

- Brand strategies
- Product categories
- New Product Development
- International expansion

INNOVATIVE

- Incubate R&D
- Fewer/Bigger/Better
- Highly measured
- Process-driven
- Market-driven

GLOBAL COLLABORATION

- Executive Leadership Team
- Operating Rhythm
- New Products & Promotions
- Brand strategies
- Knowledge sharing
- Standardised reporting

IMPROVING SERVICE

- Global planning
- Measuring service company-wide
- Standard service measurements
- Easy to do Business With culture

LEVERAGING GLOBAL SCALE

- Purchasing e.g. resin, international freight
- Knowledge sharing
- Supplier selection & validation

Efficiency & Effectiveness Projects

EFFICIENCY & EFFECTIVENESS PROJECTS

Major Efficiency & Effectiveness programs to unlock our trapped capacity for growth and position us for success.

Global Supply Chain & Inventory Model

Build model to improve planning, manufacturing efficiency, service & reduce global inventory

International – Market & Product Review

Review all current & potential export markets. Prioritise countries & refocus on core categories

I.T. Optimisation

Align I.T. systems across regions. Standardise global reporting.

New Product Development

Incubate Research & Development to support innovation in the core – Fewer/Bigger/Better.

Extrusion Coating Technology

Invest in technology upgrade of Australian Extrusion Coater to improve quality & productivity.

Key Strategies

STRATEGIES TO WIN

MAKE OUR BRANDS REALLY MATTER

- ✓ **Brands** – Define our brand strategies & execute them consistently around the globe
- ✓ **Products** – Define our product strategies with an increased definition of, & focus on, our core business
- ✓ **Digital** – Build an integrated platform to engage consumers in each product category
- ✓ **Innovation** – Focus, incubate & accelerate our global new product development

BUILD OUR GLOBAL EXECUTION CAPABILITY

- ✓ **Planning** – Take a global view to demand, production & capacity planning
- ✓ **Procurement** – Build a business that engages with a smaller number of strategic suppliers leveraging global scale
- ✓ **Service Levels** – Measure service performance at every level & build a service & Easy To Do Business With culture
- ✓ **I.T.** – Build a stronger, more globally aligned information technology platform

SIMPLIFY & ALIGN THE ORGANISATION

- ✓ **Reporting** – Align our regional reporting for global visibility & improved decision-making
- ✓ **Structure** – Implement a business model that reflects a more global outlook, leverages scale & more effectively matches skills & cost with the task
- ✓ **Operating Rhythm** – Build a cycle that supports collaboration

FOCUS OUR INTERNATIONAL EXPANSION

- ✓ **Core Markets** – Invest for growth in ANZ, USA/Mexico & the Middle East
- ✓ **Secondary Markets** – Grow in Japan & Sth. Africa with increased focus on core categories & products
- ✓ **New Markets** – Strategic insight program for priority emerging markets. Highly targeted expansion.

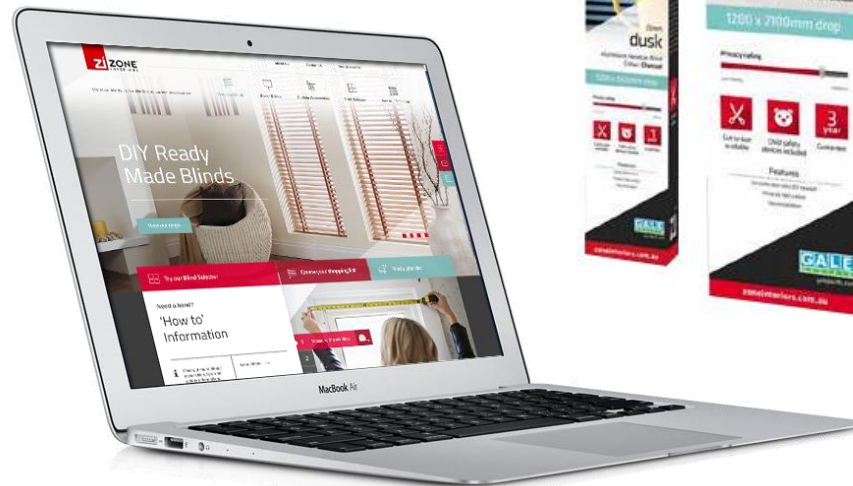
DEVELOP THE TEAM FOR GROWTH

- ✓ **Executive Leadership Team** – Establish a global leadership team with a desire to grow regions but with a global outlook
- ✓ **Performance Culture** – Build a performance culture aligned to business strategy
- ✓ **Global Perspective** – Develop a more global business perspective with a natural, globally collaborative style

PROGRESS



Zone Interiors



Everton



Everton GLASS POOL FENCE GLASS BALUSTRADE

20 YEARS

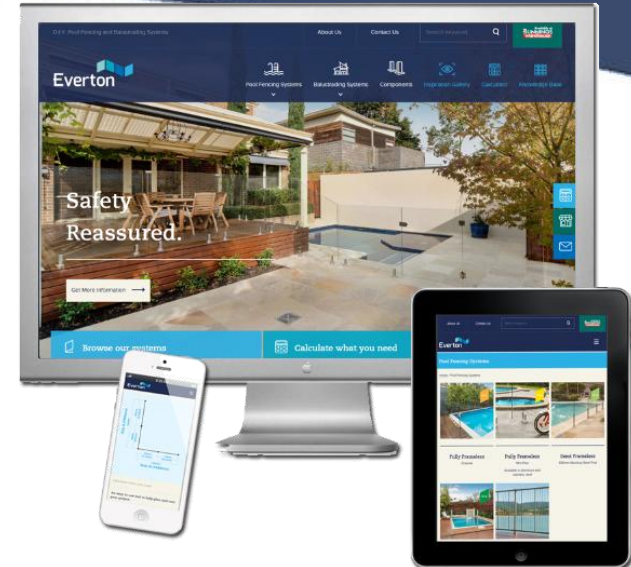
- 5 Pool Fence Systems
- 2 Balustrade Systems
- Easy to install
- 20 Year Warranty
- Meets Australian Standards

System	PowerPass P/LM Price
POOL FENCE CHAINING SYSTEM	From \$145.49
POOL FENCE SYSTEM	From \$230.12
POOL FENCE 800MM POST SYSTEM	From \$230.12
BALUSTRADE CHAINING SYSTEM	From \$176.45
BALUSTRADE SYSTEM	From \$198.59
BALUSTRADE 800MM POST SYSTEM	From \$198.59

REDUCED PRICING ON EVERTON ACCESSORIES

PowerPass PRICE \$119.00
GLASS TO GLASS GATE LATCH PACK (PN 114225)

Available at BUNNINGS warehouse



Stylish.
Easy to install.
Keeps the kids safe.
Live happily Everton after.

When it comes to keeping your kids safe around your pool the choice is clear. Source your pool fencing from Everton, who've worked with the strict Australian Standard compliant and best of all, the Bunnings gallery does carry other unannounced panoramic views.

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D.I.Y. Guide
Glass Pool Fencing

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KEY PRIORITIES



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THANK YOU