



# Simonds Group Limited

## May 2015 Update

27 May 2015

## Focused on delivery

- Strong performance and pipeline provides confidence to deliver at least prospectus pro-forma FY15 NPAT of \$20.4m
- New increased funding facility supports future growth
- Simonds Homes site starts ahead of forecast
- NSW expansion investment brought forward creating solid platform for FY16
- First 11 Sydney display homes across 5 locations to be open by March 2016
- Expansion of S-E Queensland display footprint on schedule to have 11 centres operating by December 2015
- BAA course enrolments ahead of forecast
- BAA strategic fundamentals underpinning performance
- \$3.3m technology-led investment on track to underpin improved productivity

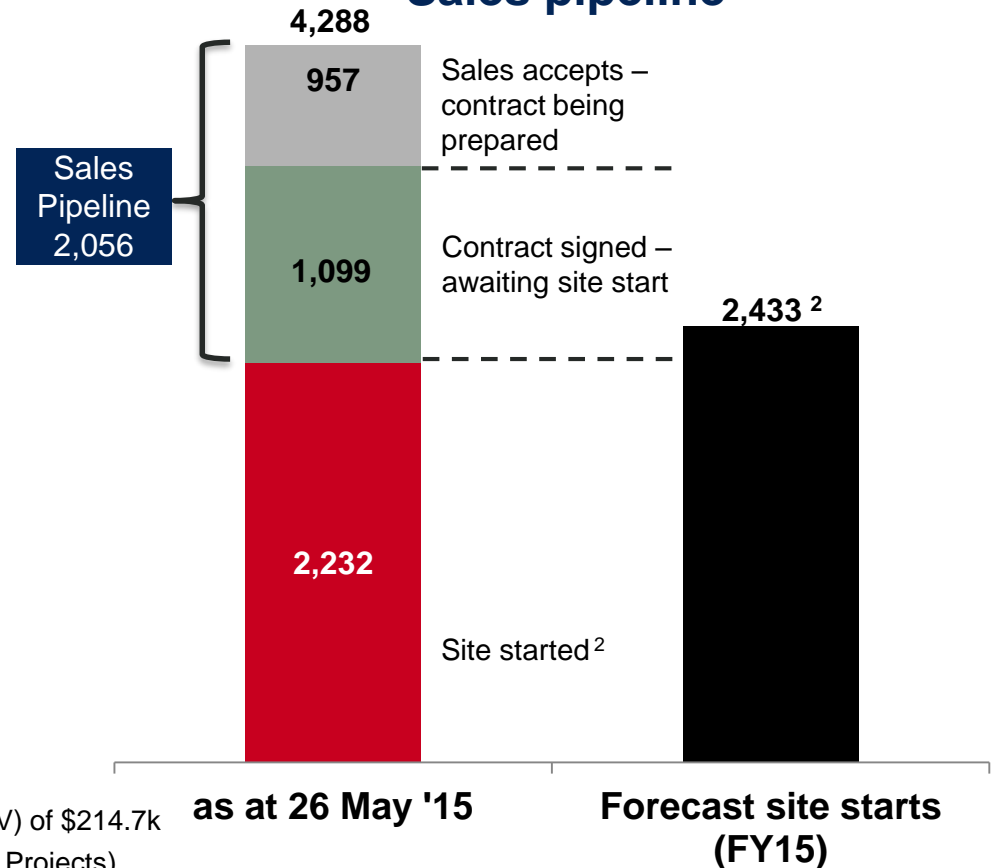
**Prospectus forecast re-affirmed**

# Strong sales pipeline – Simonds Homes

As at 26 May 2015

- On track to exceed FY15 forecast of 2,433 site starts
- Sales pipeline of \$441m<sup>1</sup> in revenue
- Pipeline provides strong platform for FY16
- Continued solid sales performance across all states

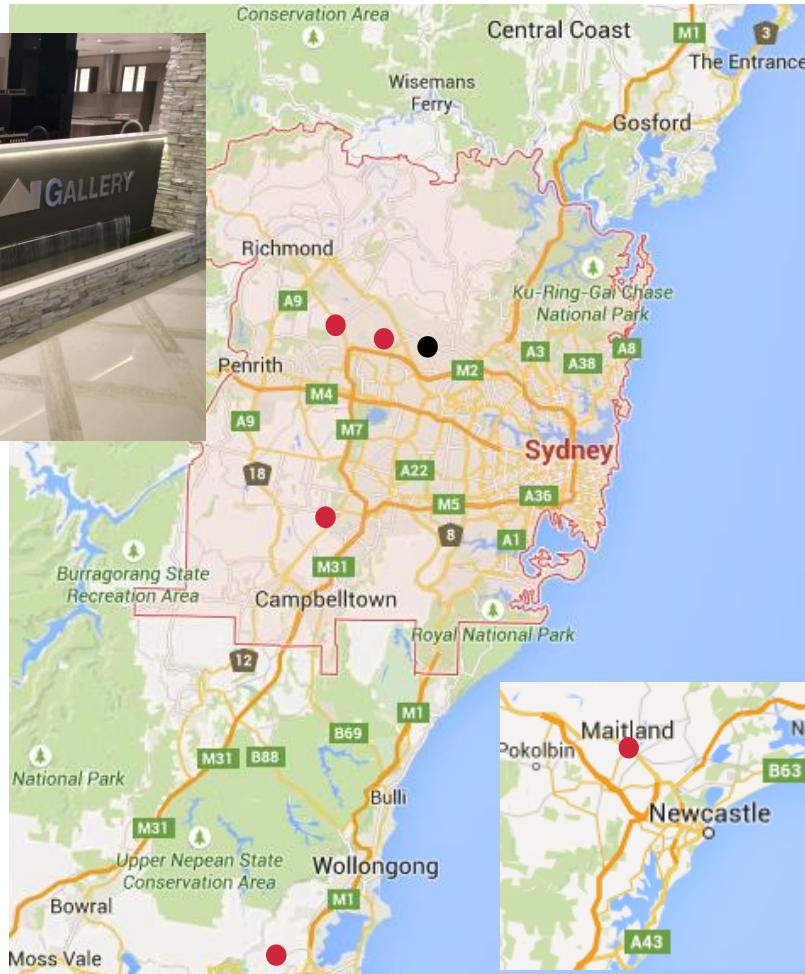
## Simonds Homes Sales pipeline



1. 2,056 sales pipeline at forecast average site-start value (SSV) of \$214.7k
2. Simonds Homes Residential site starts (excluding Madison Projects)  
Site starts refers to the commencement of construction.

**Sustainable strong sales pipeline for FY15 & FY16**

# NSW display home footprint on track

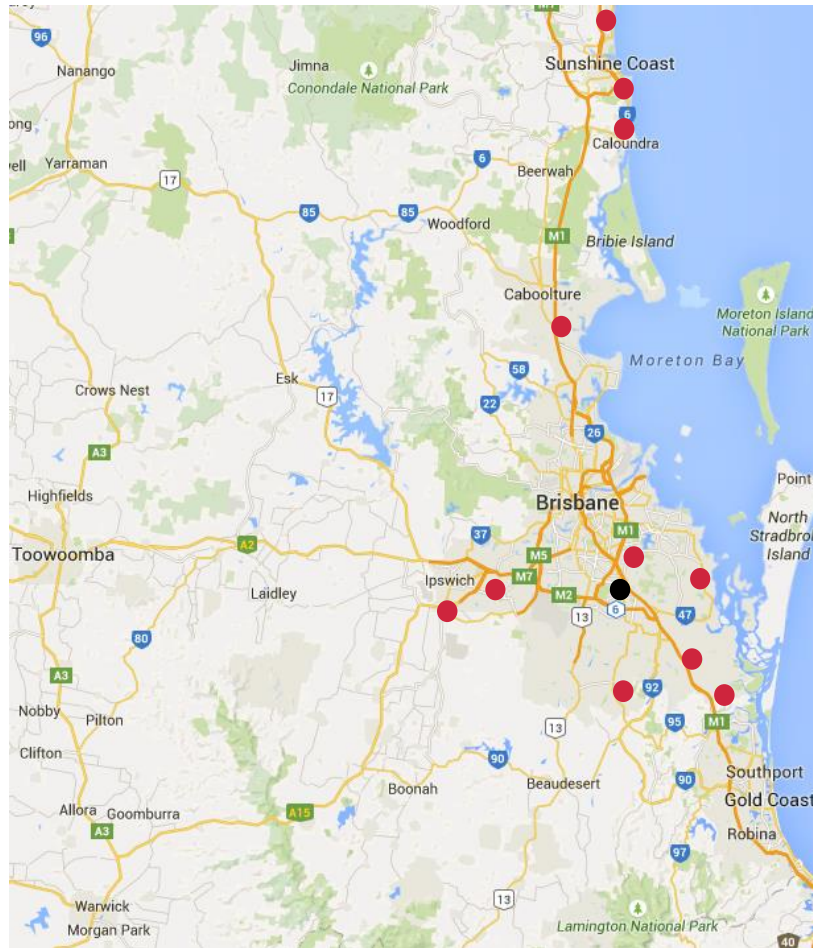


- NSW to have 11 display homes across 5 locations by the end of March 2016
- Well located in greenfield growth corridors
- Market-leading Gallery opening 28 May 2015
- Continued regional expansion via wholesale network
- Solid housing market forecast for next 3 years

**Strategic display locations growing in NSW**



# QLD display home expansion



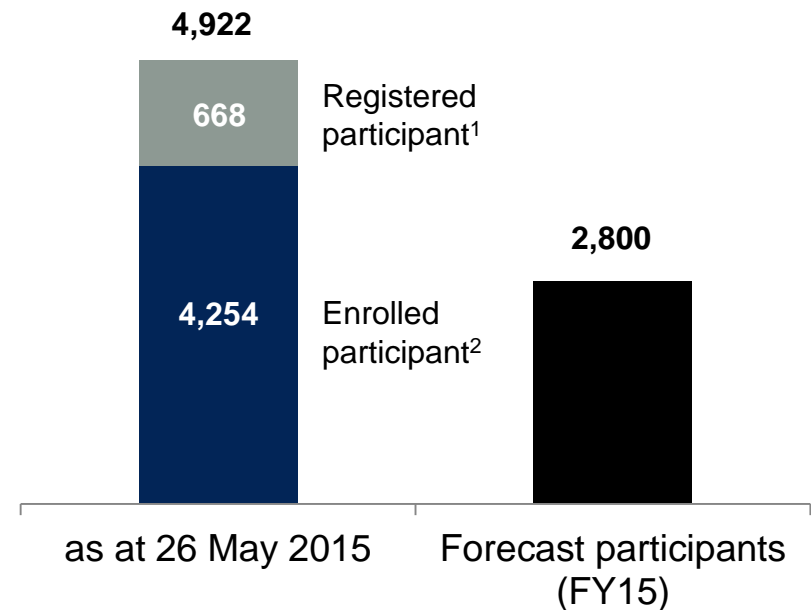
- QLD to have 18 display homes across 11 locations by December 2015
- Growing housing starts forecast in QLD for next 3 years
- Growth platform created for FY16 and beyond

**Strategic display locations growing in QLD**

# Builders Academy Australia (BAA)

- 1,166 participants successfully completed their courses YTD FY15
- Average of 468 enrolments per month YTD FY15
- Current 4,922 active participants (registered<sup>1</sup> and enrolled<sup>2</sup> participants).
- New courses have been introduced (i.e. Cert IV Workplace Health and Safety with 1,343 current active participants) with lower average course value
- BAA on target to deliver at least prospectus pro-forma FY15 EBITDA of \$9.8m.

## Builders Academy Course Pipeline



**Average monthly enrolments**

**468**

1. Registered participant – participant registration paperwork has been completed and participant has committed to their course start date.
2. Enrolled participant – participant has enrolled and commenced their course.

**Note: One student undertaking two courses will be listed as two participants**

**BAA participants have exceeded prospectus forecast**

# New expanded debt facility put in place

- Finalised new 3-year corporate finance facility totalling \$39 million.
- Funding is provided by Commonwealth Bank of Australia (CBA).
- The facility contains standard (and improved) covenants appropriate for the Group's medium-term needs.
- Delivers a high degree of flexibility within its arrangements and provides the Group with secure access to competitively priced long-term funding.
- Facilities will be utilised to assist in funding growth in operations including planned display homes roll-out (in particular, Qld, NSW and SA).

*3-year facility provides SIO with the long-term confidence to support business growth as we develop a national footprint across Simonds Homes and Builders Academy*

**Funding structure to support growth now in place**

## In summary

- Confidence in delivering at least FY15 pro-forma prospectus forecast NPAT of \$20.4m
- Strong national dwelling starts forecasted
- Expansion of the display home footprint provides platform for growth through FY16 & beyond
- Builders Academy Australia executing on growth plan
- Strong financial position with growth headroom
- Targeting 65% dividend payout ratio for period Listing – 30 June

**SIMONDS**  
G R O U P

**SIMONDS**  
THE GREAT AUSTRALIAN BUILDER

**BUILDERS**  
ACADEMY  
AUSTRALIA

**Prospectus forecast re-affirmed**



# Important notice and disclaimer

Some of the information contained in this presentation contains “forward-looking statements” which may not directly or exclusively relate to historical facts. These forward-looking statements reflect Simonds Group Limited’s current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the control of Simonds Group Limited.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from Simonds Group Limited’s current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained herein with caution.