

GALE Pacific

Half Year Results

31 DECEMBER 2015





» Results Summary

- H1 FY2016 profit before tax of \$3.5 million (H1 FY2015: \$0.70 million underlying)
- Revenue up 22% compared to H1 FY2015
- Positive operating cash flow of \$1.5 million, compared to cash outflow of \$9.0 million in H1 FY2015
- Interim dividend reinstated – 0.75 cents per share
- New long term multi-currency banking facilities secured
- FY2016 profit before tax forecast to be in the range \$12 – \$14 million (FY2015: \$8.7 million underlying)



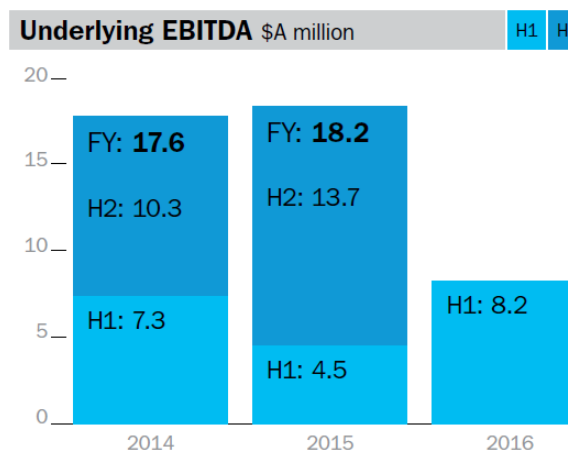
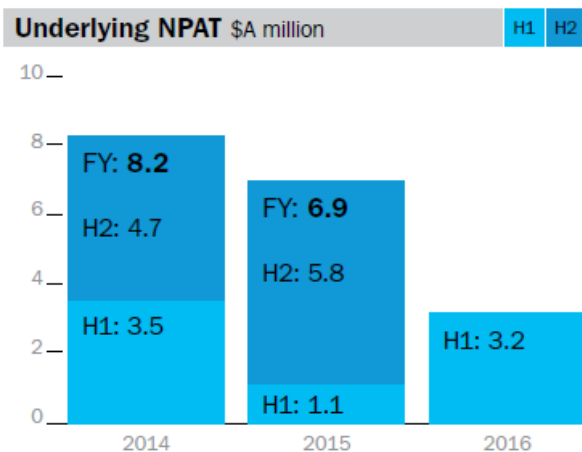
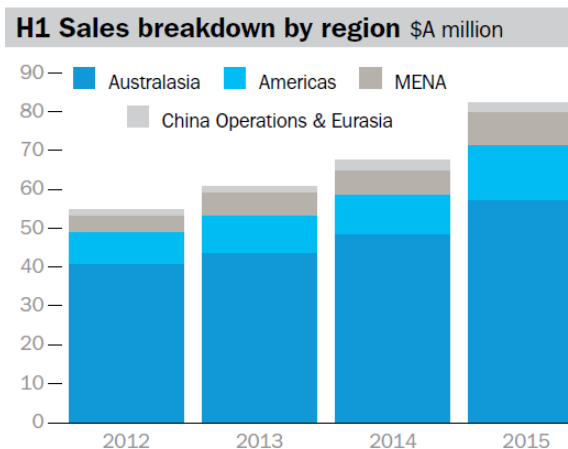
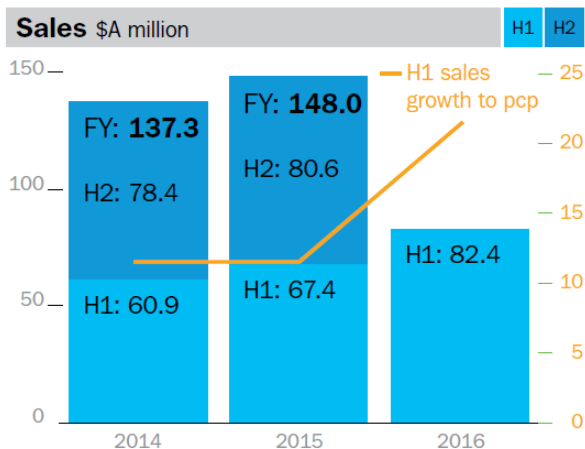
» Financial Summary

	31 December 2015 (A\$ million)	31 December 2014 (A\$ million)	Change (%)
Sales revenue	82.4	67.4	22
Underlying EBITDA	8.2	4.5	82
Underlying EBIT	4.5	1.6	179
Underlying profit before tax	3.5	0.7	383
Underlying profit after tax	3.2	1.1	194
Statutory profit/(loss) before tax	3.5	(1.8)	Loss to profit
Statutory profit/(loss) after tax	3.2	(0.6)	Loss to profit
Underlying earnings per share (cents)	1.07	0.4	194
Statutory earnings per share (cents)	1.07	(0.2)	Loss to profit
Net Debt	(20.0)	(26.2)	24
Operating Cash Flow	1.5	(9.0)	Negative to positive
Interim Dividend	0.75	-	-

Please refer to the Group Managing Directors report for reconciliation between underlying and statutory numbers for comparative year.

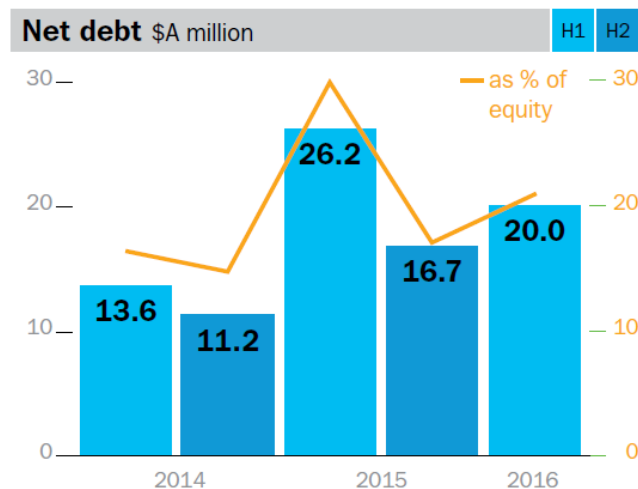
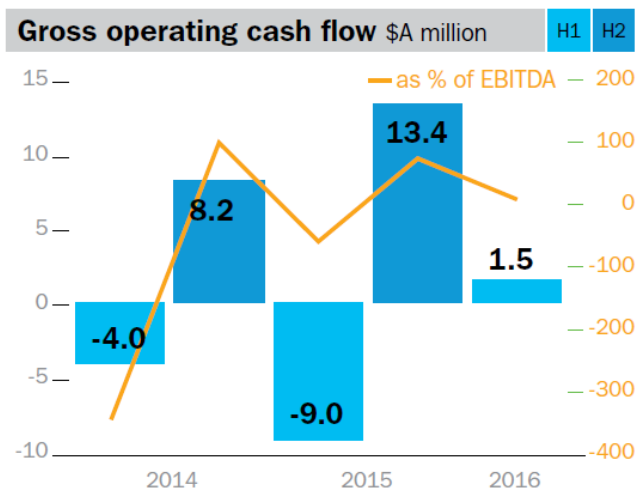


Half on Half Results





Half on Half Results



GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4 global brands



Products – Focus on our core and exit non-core categories

Digital – Build an integrated platform to engage consumers in each category

Innovation – Deliver real innovation in our core, underpinned by consumer insights

BUILD OUR EXECUTION CAPABILITY

Information Technology – Build a stronger, globally aligned technology platform

Manufacturing – Create a focused, efficient and agile manufacturing base

Procurement – Engage with a smaller number of strategic suppliers, leveraging our global scale

Planning – Build a robust global, production and capacity planning process

SIMPLIFY & ALIGN THE BUSINESS

Warehouse Facilities – Continue to reduce the number of Australian warehouses

Reporting – Standardise and strengthen global reporting

Structure – Implement a business model supporting a global outlook and leveraging scale

Supply Chain – Build a more global, service-focused model that better supports growth

FOCUSED BUSINESS EXPANSION

Core Markets – Invest for growth in Australia, Middle East, USA, Canada and New Zealand

New Markets – Build market insights for priority markets. Highly targeted expansion

Europe – Develop a plan identifying focus countries, channels and products

Japan – Reduce dependence on promotional retail business and enter commercial sector

DEVELOP THE TEAM FOR GROWTH

Performance Culture – Build a performance culture aligned to business strategy

Technical Capability – Invest in strengthening technical competence worldwide

Talent Development – Invest in training aligned with business goals

Technical Centres – Build technical centres in Australia and China

OUR VALUES



Integrity



Respect



Collaboration



People



Community



Innovation

SAFETY, HEALTH & ENVIRONMENT

Relentless pursuit of zero workplace incidents

A focus on products that provide a positive environmental impact





KEY ACHIEVEMENTS





Key Achievements

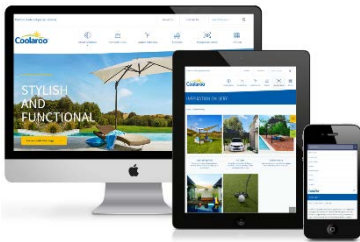
MELBOURNE DISTRIBUTION CENTRE

- Fully operational
- Delivering material supply chain savings
- Service level improvements



COOLAROO BRAND

- Major brand 'Coolaroo' refreshed
 - New packaging
- Integrated national advertising campaign including television



SUPPLIER CONSOLIDATION

- Supplier numbers reduced
- Improved supplier trading terms
- More collaborative supplier relationships



INNOVATION

- Strong new product pipeline
 - Genuine innovation
- Revitalising commercial fabrics





Key Achievements

NEW GLOBAL BANKING ARRANGEMENTS

- Long-term, multi-currency banking facility
 - Improved commercial terms
 - Reduced overall funding costs
 - Three year funding term



GLOBAL DIGITAL STRATEGY

- ANZ digital infrastructure complete
- Global digital platform in process



EURASIA REGION

- New multi-lingual team
- Shanghai-base instead of Melbourne
- Refining 'Where to play' strategies
- Focusing on a smaller number of more strategic geographic areas and customers



CHINA MANUFACTURING TRANSFORMATION

- Investments made to transform operations
- Focus on cost-effectiveness, flexibility and service improvement





» Outlook

- » Board confident that current momentum can be maintained
- » Strategy being executed is appropriate to deliver continued earnings growth
- » 2H results to be above same period last year
- » FY2016 profit before tax (PBT) will be in the range of A\$12-\$14 million considerably ahead of PBT for the prior corresponding period of A\$6.2 million (A\$8.7 million underlying)



»» Who Are We

- »» GALE Pacific is a manufacturer and marketer of commercial and DIY products that protect and enhance environments around the world.
- »» Based in Australia, we operate globally with approximately half our revenue coming from other markets.
- »» Our products are marketed across commercial and retail sectors, with distribution into architectural, horticultural, agricultural, mining, construction, and home improvement channels. They are stocked by many of the world's largest retailers and also have strong online distribution.
- »» Key products include architectural shade fabrics, exterior window shades, shade sails and an array of specialised commercial fabrics used for crop protection, irrigation, water storage and screening.
- »» Retail shade and screening products are marketed under the Coolaroo brand. Commercial products are marketed under the GALE Pacific brand.
- »» In Australia and New Zealand we also market a range of interior window furnishings under the ZONE Interiors brand and a range of glass DIY pool fencing and balustrading, shower screens and other glass products under the EVERTON brand.
- »» GALE Pacific is a world leader in specialised textiles and associated products and is recognised in our markets as an innovator and long-term producer of premium quality products.
- »» The company is focused on strengthening our global market position through product innovation and brand strength.



» Disclaimer

Statements contained in this presentation, particularly those regarding possible or assumed future performance, estimated company earnings, potential growth of the company, industry growth or other trend projections are or may be forward looking statements.

Such statements relate to future events and expectations and therefore involve unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward looking statements.