

Metro Performance Glass

Annual Shareholders' Meeting, 26 August 2015

Disclaimer

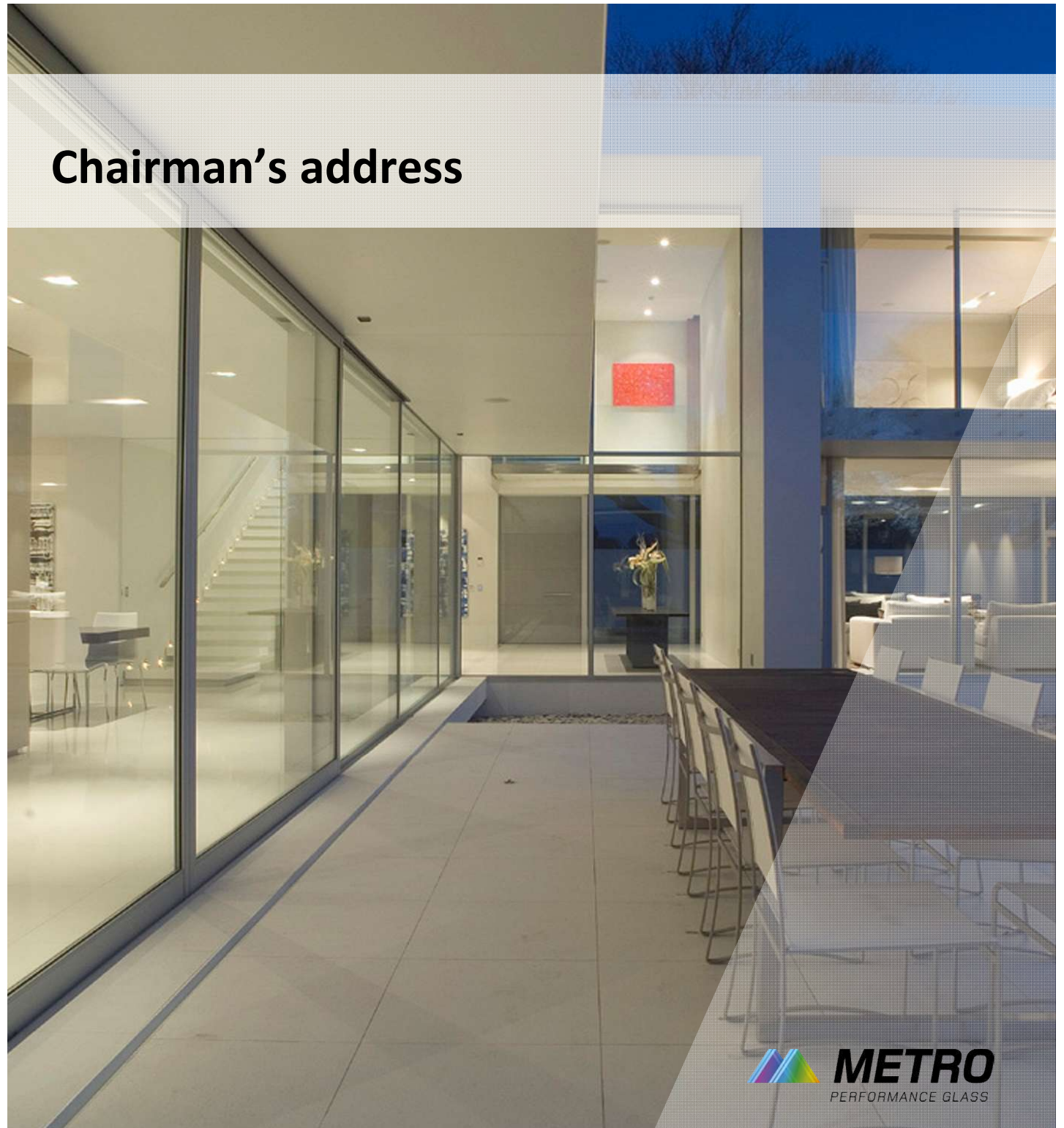
This presentation, dated 26 August 2015, provides additional commentary on Metro Performance Glass's financial results announcement for the eight months ended 31 March 2015. It should be read in conjunction with the documents attached to that announcement, which highlight future outlook, expectations of earnings, activities and market conditions.

Today's agenda

- 1 Chairman's address
- 2 CEO's address
- 3 Ordinary business and resolutions
- 4 Voting
- 5 General business



Chairman's address



Review of key achievements in FY2015

- ✓ Metro Performance Glass Limited listed on the NZX and ASX in July 2014
- ✓ Completion of the Auckland consolidation and automation project – on time and on budget
- ✓ Achieved core financial objectives despite lower than anticipated industry growth
 - Net profit after tax of \$9.6M exceeded prospective financial information (PFI) forecast
 - Sales growth of +11.1% vs pcg for the 8 months ended 31 March
- ✓ Directors approved the maiden shareholder dividend payment of 3.6 cents per share

Financial outlook



Full Year 2016: 12 months to 31 March 2016

- Anticipate that total sales will be in the order of \$190m
- Net profit after tax for the full year will be in the vicinity of \$20m - \$22m

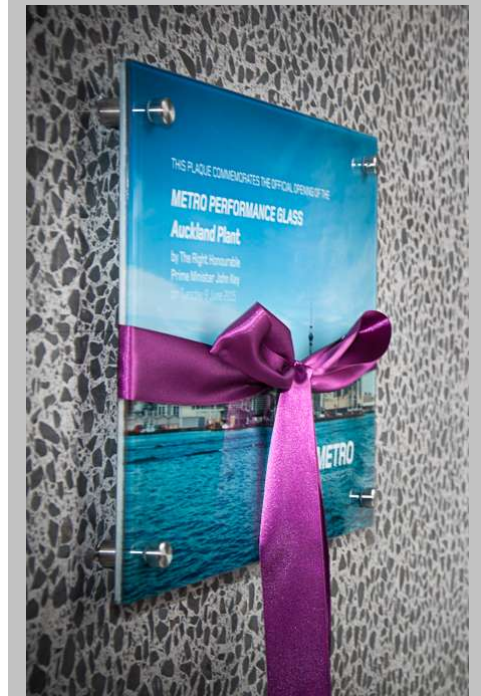


First Half 2016: 6 months to 30 September 2015

- Sales will be in line with the PFI forecast of \$94.1m
- Net profit after tax will be about half of our anticipated full year result, or \$10m - \$11m. This is slightly below the PFI forecast of \$12.1m.

Chief Executive Officer's address





Official opening of Metro Performance Glass' Highbrook facility, June 2015

The new Auckland automated processing facility is the most advanced in Australasia and is performing well



We are very pleased that the Auckland consolidation and automation project was completed on-time and on budget

- Project involved exiting 5 sites and opening 1
- 3 sites fully exited, 1 sub-leased, and 1 small site being reviewed
- Overall site consolidation costs lower than anticipated



Initial plant start-up issues were largely resolved by late March and DIFOT now consistently running at close to or above 90%



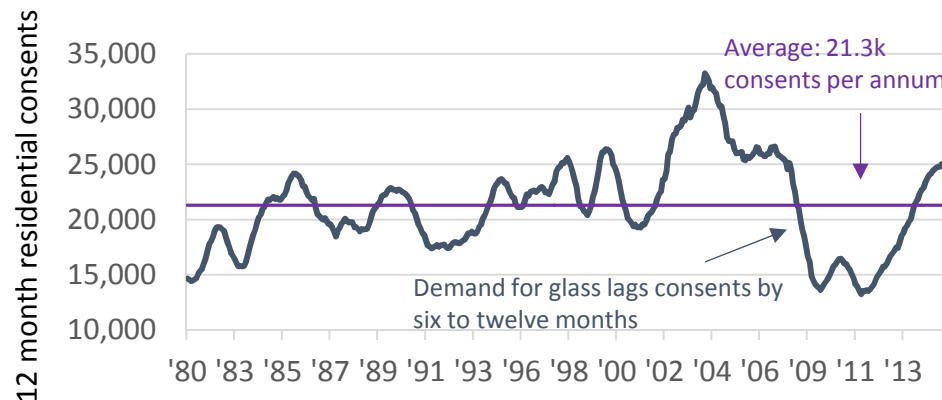
We believe we have held our market share through the transition period. Customers have remained loyal and service levels now exceed pre-consolidation levels



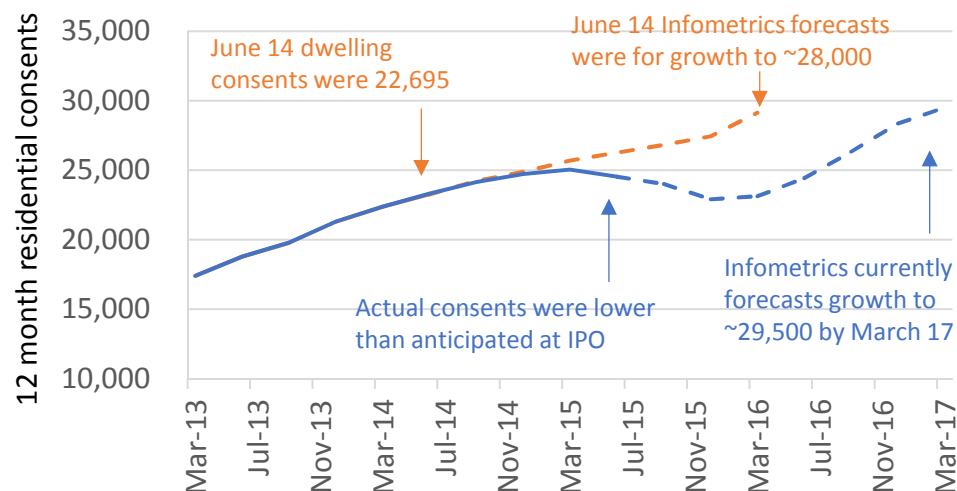
Expect significant gains over the next 2 -3 years as we optimise the system and fully execute the technology

Consents have been lower than anticipated at IPO and have not converted into sales as quickly as in the past

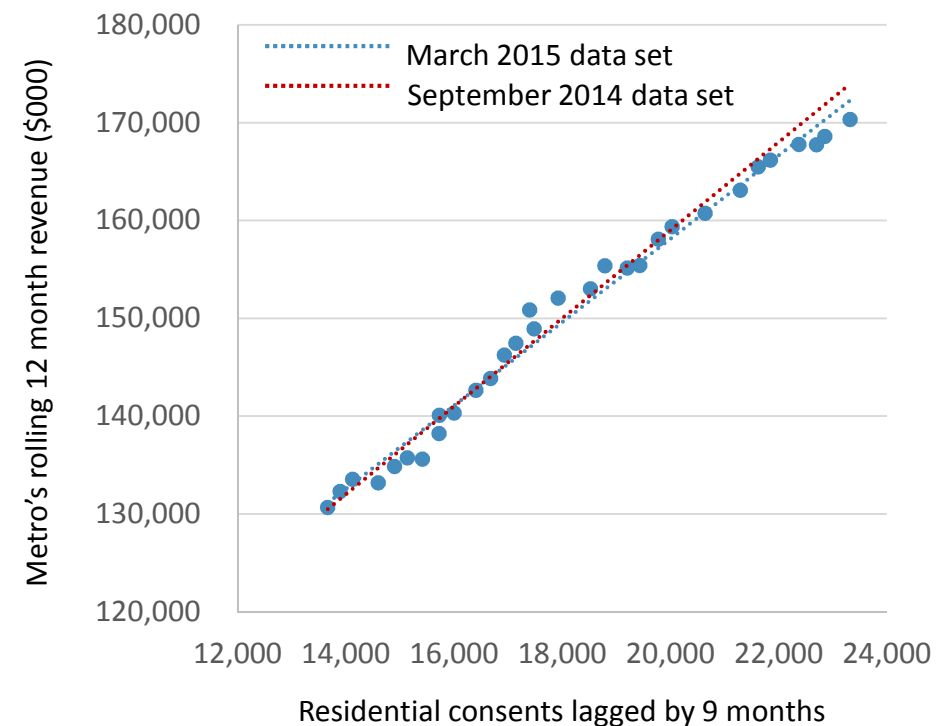
New Zealand residential new build consents



Historic and forecast dwelling consents



Alignment of Metro Glass' revenue and 9 month lagged housing consents

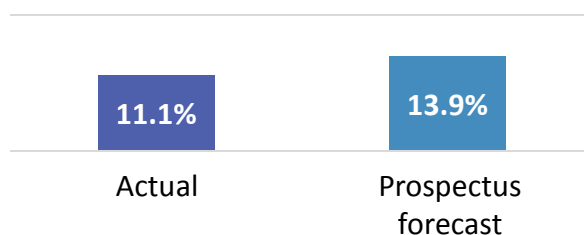


Source: Company information, Statistics New Zealand (January 1980 – June 2015)

Sales performance and key initiatives

Sales performance for the 8 months ended 31 March 2015

Daily sales growth vs. pcg

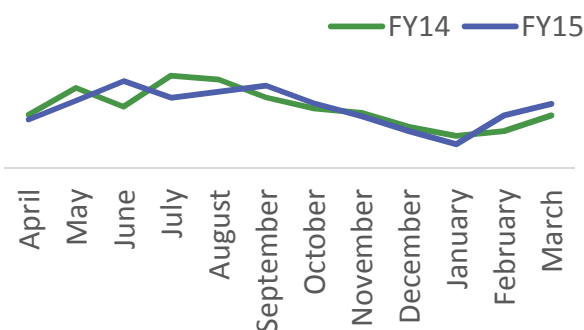


Note: Daily sales adjusts for differing numbers of trading days in each period.

- Sales growth did not accelerate as contemplated in the prospectus
- However, this was an industry wide issue, and we believe we retained our market share
- Residential windows and commercial projects have performed strongly, particularly in Auckland and Christchurch

Retrofit sales have started to accelerate

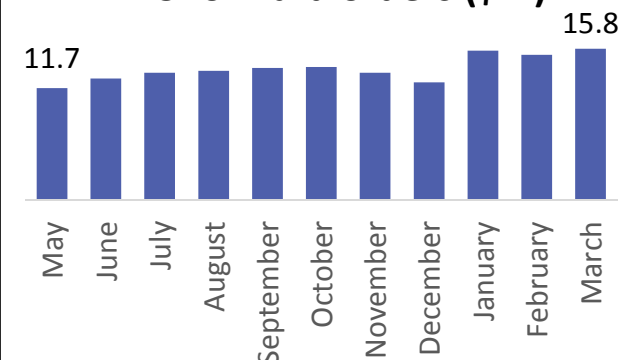
Retrofit sales vs. last year



- Circa 1.1m existing homes in NZ without double glazing
- Ran successful 8 week TV campaign in April and May delivering very significant inbound interest and leads
- We are aiming to double the size of this business

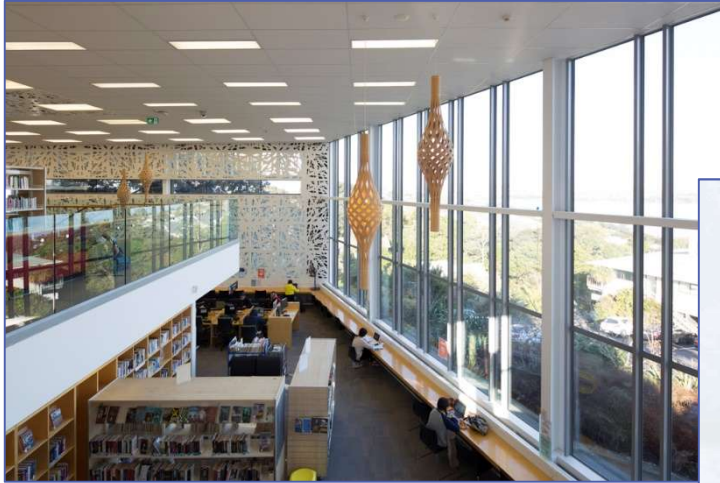
The Commercial pipeline continues to grow

FY15 forward orders (\$m)



- Commercial market activity is increasing and our pipeline is very strong
- Conversion of acceptances to revenue can be hard to predict with some projects experiencing continual delays
- Significant growth opportunities over the next 3 – 5 years

Metro Glass has completed a number of exciting commercial projects this year, and has a strong pipeline for the future



Birkenhead Library



Christchurch Cathedral



151 Cambridge St



Awly Building



Burwood Hospital

FY2015 financial highlights

\$000's	Actual	PFI	Change
Net Sales	114,998	117,792	(2.4%)
Gross Margin	60,216	62,537	(3.7%)
Gross Margin %	52.3%	53.1%	(0.8pts)
EBIT before abnormals	23,529	23,324	+0.1%
Abnormal expenses	6,453	6,804	(5.2%)
EBIT	17,076	16,520	+3.3%
Profit after tax	9,559	9,410	+1.6%

Notes:

1. Further explanation of the above financial information is available in the FY15 results presentation released in May 2015, and in Metro Performance Glass Limited's 2015 Annual Report.

2. EBIT before abnormals (abnormal items) is not a GAAP term. Metroglass discloses this item separately to allow comparison over time. The GAAP profit and loss includes these items in administrative expenses.

3. Abnormal expenses is not a GAAP term and relates to one time expenses, Metroglass discloses this item separately to allow comparison over time.



Sales for the 8 months to 31 March 2015 were \$115.0m, up + 11.1% vs. pcp, but slightly lower than the PFI



Margins largely met expectations



Overheads were controlled at lower than expected levels mitigating weaker than forecast sales



Earnings before interest and tax ("EBIT") was slightly above the PFI both before and after abnormals



Abnormal expenses included \$3.9m for IPO expenses and \$2.4m relating to the Auckland site restructuring



Net profit after tax of \$9.6m was slightly ahead of PFI

Priorities for the FY2016 year

- 1 Drive top line growth, through our product and supply chain strategy ensuring customers' expectations are exceeded, and that Metro Glass is the Company of choice
- 2 Deliver manufacturing excellence to achieve our desired service and cost leadership position
- 3 Maximise financial returns
- 4 Capture an increasing share of the growing commercial construction market
- 5 Drive the Retrofit double glazing replacement business



Formal business



Ordinary business and resolutions



To consider and, if thought fit, pass the following ordinary resolution:

- **Resolution 1: That PwC be appointed as the Auditor of the Company**



Votes received in advance of today's meeting:

	For	Open	Against	Total votes	% of issued capital
Votes	128,875,734	67,911	10,488	128,954,133	69.69%
Holders	40	7	2		
% of Votes	99.94%	0.05%	0.01%		

Ordinary business and resolutions



To consider and, if thought fit, pass the following ordinary resolution:

- **Resolution 2: That the Board be authorised to fix the fees and expenses of PwC as Auditor for the ensuing year**



Votes received in advance of today's meeting:

	For	Open	Against	Total votes	% of issued capital
Votes	128,875,734	67,911	10,488	128,954,133	69.69%
Holders	40	7	2		
% of Votes	99.94%	0.05%	0.01%		

Ordinary business and resolutions



To consider and, if thought fit, pass the following ordinary resolution:

- **Resolution 3: That Sir John Goulter be elected as a Director of Metro Performance Glass Limited**



Sir John Goulter KNZM, JP
Independent, Non-Executive Chairman
Member of Audit and Risk Committee

Sir John has long-standing experience in both the public and private sectors in New Zealand. He currently acts as Chairman of the New Zealand Business and Parliament Trust, Marsden Maritime Holdings Limited, Northport Limited and Ururangi Limited. Prior to his non-executive roles, Sir John was the inaugural Managing Director of Auckland International Airport Limited. In 2003, Sir John was appointed the New Zealand Herald Business Leader of the Year and a Distinguished Companion of the New Zealand Order of Merit (DCNZM) for services to business and the community. This honour was re-designated as Knight Companion of the New Zealand Order of Merit (KNZM) in 2009. Sir John is a graduate of Harvard Business School (Advanced Management Program), a Justice of the Peace and a Fellow of the New Zealand Institute of Management. He was inducted as a Laureate into the New Zealand Business Hall of Fame in 2003.



Votes received in advance of today's meeting are presented below:

	For	Open	Against	Total votes	% of issued capital
Votes	128,881,222	72,911	0	128,954,133	69.69%
Holders	41	8	0		
% of Votes	99.94%	0.06%	0.00%		

Ordinary business and resolutions



To consider and, if thought fit, pass the following ordinary resolution:

- **Resolution 4: That Mr Michael Alscher be elected as a Director of Metro Performance Glass Limited**



Mr Michael Alscher
Non-Executive Director

Michael is the Managing Partner and founder of Crescent Capital Partners, a leading Australian private equity firm, specialising in high growth companies and certain industry sectors such as healthcare and financial services. Prior to founding Crescent in 2000, Michael was the Chief Operating Officer of Gowings Bros Limited, as well as a strategy consultant at Bain International and the LEK Partnership, where he spent considerable time working on the financial services industry and consumer product facing companies. Michael is currently a Non-Executive Director of ASX listed life insurer, ClearView Limited. He also serves as the Non-Executive Chair of National Dental Care and Southern Sun, and Non-Executive Director of GroundProbe, Crumpler and Breezway Louvre Windows. Michael holds a Bachelor of Commerce (Finance & Mathematics) from the University of New South Wales.



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Holders	41	8	0		
% of Votes	99.94%	0.06%	0.00%		



Shareholder questions

