



17 March 2016

**ASX Announcement**  
**Tamawood Investor Presentation**

Sydney and Melbourne Australia, 17 & 18 March 2016 – Tamawood Limited (ASX: TWD) is pleased to release a copy of the presentation that Mr Robert Lynch, Chairman will deliver to investors on 17 & 18 March 2016.

Geoff Acton  
Company Secretary



# Tamawood Limited Investor Presentation

March 2016





**Chairman  
Robert Lynch**



**Managing Director  
Tim Bartholomaeus**



**Non-Executive Director  
Lev Mizikovsky**



**Non-Executive Director  
Andrew Thomas**



**Non-Executive Director  
Rade Dudurovic**

**Company Secretary  
Geoff Acton**

**Franchisee Manager  
Peter Souter-Robertson**

**General Manager Dixon  
Paul Hogan**



- ✓ Dividend guidance for FY16 of total 25 cents fully franked (2015: total 25 cents fully franked).
- ✓ Tamawood delivers on 10 cent fully franked interim dividend payable on 02/06/16.
- ✓ Net Profit after Tax for 1HFY16 of \$3.348 million, an increase of 4.30% on 1H FY15.
- ✓ EPS of 13.10 cents 1H FY16 (1H FY15: 12.56 cents).
- ✓ Sales momentum in South East Queensland continues in 2H FY16 with 30% increase with no material increase expected to fixed overheads.
- ✓ The managing director in conjunction with department managers have undertaken a review of the sales presentation and staff training throughout the business in the 1H FY16. The return to a structured sales presentation combined with the restructure of the sales team and renewed focus on customer relationships has resulted in an increase in sales conversion since November 2015.
- ✓ Strong balance sheet with no debt.
- ✓ Regional expansion with 5 new areas in NSW to be run by Brisbane and Sydney head offices.



<b>South East Queensland</b>	<ul style="list-style-type: none"> <li>• 30% plus increase in sales largely due to sales presentation review.</li> <li>• 466 sales to the 11/03/2016 for FY16</li> <li>• New regional office to be opened in Warwick.</li> </ul>
<b>Franchise Operations</b>	<ul style="list-style-type: none"> <li>• Two Victorian franchises signed, Mildura + Gippsland in 1H FY2016.</li> <li>• A further proposed 4 new franchises expected by end 2H FY16.</li> </ul>
<b>NSW</b>	<ul style="list-style-type: none"> <li>• Sydney head office completed and opened.</li> <li>• 2 new regional offices opened.</li> <li>• 3 new regional offices to be opened in 2016 calendar year.</li> </ul>
<b>Strong Balance Sheet</b>	<ul style="list-style-type: none"> <li>• NTA of \$8.3 million.</li> <li>• 0% gearing.</li> </ul>
<b>Dividend Policy</b>	<ul style="list-style-type: none"> <li>• Guidance of fully franked total dividend 25 cents for FY16.</li> </ul>
<b>Board Composition</b>	<ul style="list-style-type: none"> <li>• Over 100 years of building experience on the Board.</li> </ul>



	1H FY16 (\$m)	1H FY15 (\$m)
<b>Revenue</b>	46.9	49.8
<b>Net Profit before Tax</b> <sup>①</sup>	4.6	4.8
<b>Tax</b>	(1.4)	(1.6)
<b>Profit after Tax Attributable to Members with no controlling interest</b>	3.2	3.2
<b>EPS</b>	13.10 cents	12.56 cents

① Net profit before tax includes \$850K from the successful resolution of a legal dispute less legal fees of \$62K expensed in 1H FY16.



BALANCE SHEET	1H FY16 (\$m)	1H FY15 (\$m)
<b>Assets</b>		
<b>Cash</b>	1.8	2.7
<b>Receivables</b>	3.2	4.5
<b>Inventories</b>	11.7	8.7
<b>Other</b>	1.4	1
<b>Total Assets</b>	18.1	16.9
<b>Liabilities</b>		
<b>Trade and Other Payables</b>	5.2	5.4
<b>Other</b>	4.6	3.4
<b>Total Liabilities</b>	9.8	8.8
<b>Net Assets</b>	8.3	8.1



PERFORMANCE	1HFY14	2HFY14	1HFY15	2HFY15	FY16 to 11/03/2016
<b>Sales South East Queensland*</b>	171	213	226	225	466
<b>NSW*</b>	1	23	56	71	16
<b>Sales Franchise*</b>	122	135	130	119	100

**\*NOTE. Sales figures quoted may change due to - Bank Finance Approvals  
- Local Authority Approvals  
- Client Cooling Off Period  
- Any Other Contractual Requirements**

PERFORMANCE	1HFY14	2HFY14	1HFY15	2HFY15	1H FY16
<b>Construction Revenue (\$m)</b>	29	36	44	44	44
<b>Revenue Other (\$m)</b>	10	6	5	2	3
<b>Gross Profit (\$m)</b>	2.7	4.6	4.8	4.6	4.6
<b>Profit before Tax as % of Revenue</b>	7%	10%	9%	10%	10%





## HIA OUTLOOK - Housing Starts - Thousand Starts\*

		Forecast Houses (,000)	Change (%)
<b>Queensland</b>	2014	20.59 (a)	11%
	2015	22.26	8%
	2016	23.90	7%
	2017	24.29	2%
<b>New South Wales</b>	2014	23.13 (a)	21%
	2015	25.45	10%
	2016	23.41	-8%
	2017	18.46	-21%

\*Statistics have been obtained from HIA

\*Issued February 2016

(a) - Actual



1H FY16 (\$,000)

<b>Cash Flows From Operating Activities</b>	
<b>Cash generated from operating activities</b>	
Receipts from customers (inc. GST)	52,880
Payments to suppliers and employees (inc. GST)	(49,639)
Interest received	91
Interest paid	-
Income tax paid	(968)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>2,364</b>
<b>Cash Flows From Investing Activities</b>	
Payment for PPE	(86)
Proceeds from sale of PPE	3
Proceeds from disposal of interest in subsidiary	
Loans to related parties - proceeds from repayments	
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(83)</b>
<b>Cash Flows From Financing Activities</b>	
Dividends paid by entity	(3,834)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(3,834)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,553)</b>
<b>Cash and cash equivalents at the end of the FY14</b>	<b>3,366</b>
<b>Cash and cash equivalents at the end of the FY15</b>	<b>1,813</b>





**New In** | Mildura  
**1H FY16** | Gippsland

MORE4LESS SINCE 1959 **10**



### What are the barriers to entry?

- The technology platform of Dixon Homes, bundled with its growing franchisee network.
- Long standing Dixon Homes brand.

### Who are the suppliers?

- Material suppliers are the tier-1 players, such as CSR, Hanson, etc.
- Emphasis is on standardised, bulk purchasing to improve buying power.
- Building workforce are typically contracted, have been with Dixon Homes over the long term.

### Who are the competitors?

- All builders – both large and small.
- Detached home builders market is highly fragmented, with the top 100 builders working on only 44% of current annual housing starts.
- This figure is expected to increase over time as smaller builders struggle for capital.

MORE4LESS SINCE 1959  
**DIXON HOMES**  
www.dixonhomes.com.au



**SOUTH EAST QUEENSLAND**

**1821 Ipswich Road, Rocklea QLD 4106**



**992 Gympie Road, Chermside QLD 4032**

**4424 Warrego Highway, Plainlands QLD 4341**

**1/50 Lawrence Drive, Nerang QLD 4211**

**12a 189 Anzac Ave, Harristown QLD 4350**

**684 Nicklin Way, Currimundi QLD 4551**

**2/5 River Road, Gympie QLD 4570**

**Unit 4/ 19 Tamborine St, Jimboomba QLD 4280**

**14/ 39 Old Cleveland Rd, Capalaba QLD 4157**

**NSW**

**178 Pacific Highway, Coffs Harbour NSW 2450**

**2/10 Kerr St, Ballina NSW 2478**

**Unit 3/142 James Ruse Drive, Rosehill NSW 2142**



## Franchisees - QLD

CAIRNS  
172-174 Mulgrave Rd, Wescourt, QLD 4870

TOWNSVILLE  
L536 Featherwood Street, Mount Low, QLD 4818

MACKAY  
19c Juliet St, Mackay, QLD 4740

GLADSTONE  
Shop 7/97 Hampton Dr, Tannum Sands, QLD 4680  
Display 16 Tulipwood Circuit, Boyne Island, QLD 4680

HERVEY BAY  
42 Watson St, Pialba, QLD 4655

WESTERN DOWNS  
Unit 7/17 Enterprise St, Toowoomba, QLD 4350

NEW ENGLAND  
49 Roger St, Stanthorpe, QLD 4380

## Franchisees - VICTORIA

ALBURY WODONGA  
14 Bassett St, Wodonga, VIC 3690

GIPPSLAND  
6 Roberts Rd, Churchill, VIC 3842

MILDURA  
To Be Established

## Franchisees - NSW

NORTH-WEST NSW  
46 Ring St, Inverell, NSW 2360

DUBBO  
Shop 34a Victotia St, Dubbo, NSW 2830

## Franchisee - ACT

ACT & SURROUNDS  
Unit 8/289 Canberra Ave, Fyshwick, ACT 2609



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