
GERARD
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Gerard Lighting Group Limited
Investor Briefing
Half year results – 6 months ended 31 December 2011

20 February 2012

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professional lighting solutions

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Agenda

- Result highlights
- Strategic achievements
- Financials - Half Year 31 Dec 2011
- Key priorities and guidance

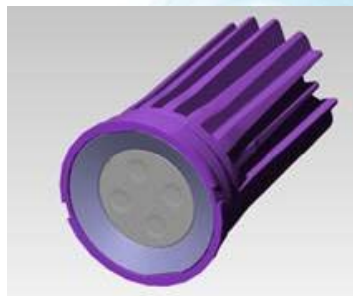
Highlights

- Net profit of \$8.1m, in line with guidance issued in Dec 11
- Revenues of \$197.4m, down 5.7% on H1 FY 2011
- EBIT of \$17.3m, down 12.6% on H1 FY 2011
- Sales growth achieved in H1 FY 2012 did not offset BER impact in H1 FY2011 of \$13.2m on revenue and EBIT of \$2.5m
- EPS of 4.78 cents per share
- Dividend per share of 2.7 cents, fully franked
- Gearing 38% (Net Debt to Net Debt plus Equity)
- Strong cash from Operations, \$18.3m (before Interest and Tax) represents 93% of EBITDA



Strategic achievements - growth

- Sales of iLP products at 13% of sales for H1 FY2012 (target of 20% of sales by 2016) and \$2m ahead of budget
- Acquisition of DOT Lighting and Home Lighting completed successfully at end of January 2012
- New MR16 LED down light sales continue above expectations
- 5 major new products to be released in second half
- Establishment of energy solutions business



Financial Results



\$000's	Actual 6 mths to 31-Dec-11	Actual 6 mths to 31-Dec-10	% Change
Revenue	197,427	209,255	-5.7%
EBITDA	19,609	21,905	-10.5%
Depreciation and amortisation	(2,280)	(2,103)	
EBIT	17,329	19,802	-12.5%
Net finance costs	(4,115)	(5,014)	
Equity investee - loss	-	(25)	
PBT	13,214	14,763	-10.5%
Tax expense	(5,091)	(5,179)	
NPAT	8,123	9,584	-15.2%
EBIT % revenue	8.8%	9.5%	
Interest cover	4.2	3.9	
Gearing ratio ¹	37.7%	34.5%	
Return on funds ²	17.0%	19.5%	

1. Gearing ratio = Debt/Debt + equity

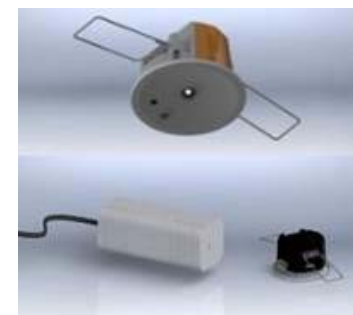
2. Return on funds = EBIT/Total assets - current liabilities



Financial Results



Balance Sheet \$000's	Actual 31-Dec-11	Actual 30-Jun-11	Cash Flows \$000's	Actual 31-Dec-11
Current Assets	149,236	170,137	Cash from Ops	18,320
Non-current Assets	129,218	123,908	Less	
TOTAL ASSETS	278,454	294,045	Interest (net)	4,347
Current Liabilities	74,709	91,311	Tax	13,344
Non-current Liabilities	77,813	80,590	CAPEX	4,551
TOTAL LIABILITIES	152,522	171,901	Investments	2,796
NET ASSETS	125,932	122,144	Dividends	4,956
Interest bearing debt	80,978	84,273	Debt reduction	3,180
Less Cash	4,691	19,981	Other (net)	436
NET DEBT	76,287	64,292	Net cash movt.	(15,290)
WORKING CAPITAL	87,113	85,374	Opening cash	19,981
			Closing cash	4,691



Key priorities 2012 and guidance

- Consistent execution of strategic actions implemented since IPO – growth, EBIT and energy efficient lighting solutions
- Continuing focus on iLP new product development and commercialisation
- Leverage energy solutions business offerings across the broader group
- Increase profitability in emerging overseas markets

Guidance

The Board and Management remain confident of achieving full year earnings guidance (NPAT \$17.5m - \$18.5m) provided on 7 Dec 2011

Disclaimer

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Statements contained within this presentation regarding possible or assumed future performance, estimated company earnings, potential growth of the company, industry or other trend projections including the 2011 prospectus forecast are 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.

www.gerardlighting.com.au

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