FY14 Results

Today's agenda

- Our transition and current status of our journey
- FY14 financial performance
- FY14 balance sheet
- FY14 net debt and cash flows
- FY14 baseline results
- Key points from the accounts
- Strategy and outlook

Results summary

- Statutory NPAT $24.8M up $118.9M
- Underlying NPAT[1] $27.3M up 42.2%
- Dividend declared – 3.60cps full franked
- Continuing revenue $415.5M up 16.6%[2]
- Underlying EPS[3] 11.4c up 46% against last year
- Continuing EBITDA[4] $42.9M up 41.6%
- Return on funds employed in excess of 20%
- Net cash on hand $8.5M at 30 June 2014
- Leaner operating model

1. Underlying NPAT attributable to owners for the year ended 30 June 2014 of $27.3M is a non-IFRS measure calculated as: NPAT attributable to owners of $24.8M adjusted for business combination acquisition transaction costs after tax offset by one-off income tax credits associated with business sales (a net adjustment of $2.5m) as disclosed in note 22(c) of the Annual Report.
2. The continuing Hills Technologies Segment as detailed on slide 12
3. Underlying Earnings per share (EPS) is calculated with reference to underlying NPAT attributable to owners for the year ended 30 June 2014 of $27.3M (a non-IFRS measure) as disclosed in note 22(c) of the Annual Report.
4. The continuing Hills Technologies Segment as detailed on slide 13

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Our transition & current
status of our journey

Current status of our journey

Hills 2.0

1 Restructure complete ✓

Divesting old Hills

2 Major asset sales complete ✓

Reducing complexity and risk

3 Rapid transition complete ✓

Bolt-on acquisitions and new markets entered

4 High conviction growth material acquisition(s)

Targeted in FY15

Leaner Operating Model

- ✓ Clean balance sheet
- ✓ Reduced structural complexity (single business)
- ✓ Reduce operating complexity (now largely a B2B technology model)
- ✓ Capital light (improved ROFE)
- ✓ Lower risk profile
  - No customer > 5%
  - No supplier >7% of revenues
  - Reduced environmental, safety and business risks

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FY14 financial performance

Results highlights – Key numbers

Statutory Results

- FY14 statutory NPAT attributable to owners of $24.8M
- Compares to FY13 loss of ($94.1M)
- An improvement of $118.9M

Underlying[1] Results

- FY14 underlying NPAT[1] attributable to owners of $27.3M
- Up 42.2% on a PCP basis[2]
- Continuing Hills Technologies revenue[3] of $415.5M (up 16.6%)
- Continuing Hills Technologies underlying EBITDA[3] of $42.9M (up 41.6%)

Returns

- 3.25cps dividend (fully franked) paid in Sep 2013
- 3.40cps dividend (fully franked) paid in Mar 2014
- 3.60cps dividend (fully franked) to be paid in Sep 2014
- Net cash on hand at $8.5M (i.e. zero net debt)
- Hills' return on funds employed (ROFE)[4] in excess of 20%

1. Underlying NPAT attributable to owners for the year ended 30 June 2014 of $27.3M is a non-IFRS measure calculated as: NPAT attributable to owners of $24.8M adjusted for business combination acquisition transaction costs after tax offset by one-off income tax credits associated with business sales (a net adjustment of $2.5m) as disclosed in note 22(c) of the Annual Report.
2. Underlying NPAT attributable to owners for the year ended 30 June 2013 of $19.2M is a non-IFRS measure calculated as: NPAT loss attributable to owners of ($94.1M) adjusted for CGU impairment, restructuring and closure costs and other associated impairments offset by profit on sale of businesses (totalling a net cost of $113.3M after tax) as disclosed in note 22(c) of the Annual Report.
3. Underlying EBITDA is a non-IFRS measure calculated as earnings before interest, tax depreciation and amortisation and excludes acquisition transaction and integration costs expensed under IFRS. Continuing Hills Technologies segment revenue and EBITDA are non-IFRS measures. These measures adjust continuing revenue and continuing EBITDA for the effect of business sold or closed which could not be accounted for as Discontinued Operations under IFRS as a result of their not being separate operating segments or not being major separate lines of business. These measures enhance the comparability of continuing operations between periods and are consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
4. Hills' return on funds employed is non-IFRS measure calculated as detailed on slide 16.
5. The non-IFRS measures used by the Company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. The non-IFRS measures have not been subject to audit or review.

Statutory results released today

(A$M)	FY14	FY13
Revenue from continuing operations	448.3	492.5
Profit/(Loss) after tax from continuing operations	18.4	(28.9)
Profit/(Loss) after tax from discontinuing operations	8.0	(62.5)
NPAT attributable to owners	24.8	(94.1)

Includes businesses closed or sold but not reclassified as discontinuing under IFRS due to these not being separate, material operating segments.

Includes material impairments and restructuring charges in FY13.

Includes material acquisition transaction costs which are expensed under IFRS in FY14.

Statutory results and underlying NPAT

(A$M)	FY14	FY13
Revenue from continuing operations[1]	448.3	492.5
Profit/(Loss) after tax from continuing operations	18.4	(28.9)
Profit/(Loss) after tax from discontinuing operations	8.0	(62.5)
NPAT attributable to owners	24.8	(94.1)
Add back: CGU impairments, restructuring and closure costs & other associated impairments offset by profit on sale of businesses	-	113.3
Add back: Acquisition transaction costs expensed during the period offset by one-off income tax credits associated with business sales	2.5	-
Underlying NPAT attributable to owners[2,3]	27.3	19.2

FY14	FY13	Revenue adjustment details
415.5	356.2	Continuing Hills Technologies Segment, **an increase of $59.3M or 16.6%**
32.8	136.3	Other discontinued and discontinuing businesses shown as continuing under IFRS
448.3	**492.5**	**Continuing under IFRS[1]**

1. Revenue from continuing operations per the Statutory Accounts. Certain businesses that were closed or sold during the periods covered by the table above were either not separate operating segments or were not separate major lines of business to allow for reclassification as discontinued operations in the financial statements with corresponding adjustments to comparatives. This reclassification has been made in the Segment Information Note in the Annual Report (note 2) to enhance comparability of the continuing businesses.
2. Underlying NPAT attributable to owners for the year ended 30 June 2014 of $27.3M is a non-IFRS measure calculated as: NPAT attributable to owners of $24.8M adjusted for business combination acquisition transaction costs after tax offset by one-off income tax credits associated with business sales (a net adjustment of $2.5m) as disclosed in note 22(c) of the Annual Report.
3. Underlying NPAT attributable to owners for the year ended 30 June 2013 of $19.2M is a non-IFRS measure calculated as: NPAT loss attributable to owners of ($94.1M) adjusted for CGU impairment, restructuring and closure costs and other associated impairments offset by profit on sale of businesses (totalling a net cost of $113.3M after tax) as disclosed in note 22(c) of the Annual Report.
4. The non-IFRS measures used by the Company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. The non-IFRS measures have not been subject to audit or review.

Total expenses per statutory accounts

(A$M)	FY14	FY13
Cost of goods sold	261.5	263.6
Cost of services provided	17.6	57.6
Sales and marketing expenses	73.0	74.1
Distribution expenses	23.2	27.1
Administration expenses	44.2	51.8
Other expenses	20.4	70.3
Expenses excluding net finance costs (Note 5 of the annual report)	439.9	544.5

Reduction in expenses is partly as a result of businesses closed or sold but not reclassified as discontinuing under IFRS but also as a result of cost-out programs in the continuing Hills Technologies Segment.

Includes:
- Depreciation & amortisation
- Administrative functions of all of the operating businesses and the corporate centre
- Central supply chain costs
- Central product development costs

Includes:
- Acquisitions transaction costs
- Provisions required following sale of businesses
- Impairment of assets associated with business sales

Total Revenue – Continuing and Discontinuing

Revenue (A$M)	FY14	FY13
Continuing Hills Technologies Segment[1,2]	415.5	356.2
Other discontinued & discontinuing businesses (**not** shown as discontinuing under IFRS)[1,2]	32.8	136.3
Discontinued Building & Industrial Segment (**is** shown as discontinuing under IFRS)	288.9	525.9
GRAND TOTAL REVENUE[3]	**737.2**	**1,018.4**

An increase of $59.3M or 16.6% in the continuing Hills Technologies Segment

This includes business units closed or sold such as: Healthcare, Baileys, Solar, LW Gemmell, ATS, OptiComm and UHS.

This includes Hills' Steel businesses: Orrcon, Fielders and Korvest (in FY13 only) which have now been sold.

1. Certain businesses that were closed or sold during the periods covered by the table above were either not separate operating segments or were not major separate lines of business that would allow for reclassification as discontinued operations in the financial statements with corresponding adjustments to comparatives. This includes businesses such as: Healthcare, Baileys, Solar, LW Gemmell, ATS, OptiComm and UHS. This reclassification has been made in the table above to enhance comparability of the continuing businesses and is consistent with the Segment Information Note in the Annual Report (note 2).
2. Continuing Hills Technologies segment revenue is a non-IFRS measure that adjusts continuing revenue for the effect of business sold or closed which could not be accounted for as Discontinued Operations under IFRS as a result of their not being separate operating segments or not being major separate lines of business. This measure enhances the comparability of continuing operations between periods and is consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
3. Total revenue as per Note 3 of the Annual Report.
4. The non-IFRS measures used by the company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. The non-IFRS measures have not been subject to audit or review.

Underlying EBITDA – Continuing and Discontinuing

Underlying EBITDA[1] (A$M)	FY14	FY13
Continuing Hills Technologies Segment[2,3]	42.9	30.3
Other discontinued & discontinuing businesses (**not** shown as discontinuing under IFRS)[2,3]	3.3	5.3
Discontinued Building & Industrial Segment (**is** shown as discontinuing under IFRS)	4.7	11.7
GRAND TOTAL UNDERLYING EBITDA[1]	**50.9**	**47.3**

1. 'Underlying EBITDA' is a non-IFRS measure calculated as earnings before interest, tax depreciation and amortisation and excludes acquisition transaction and integration costs expensed under IFRS. This measure is consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
2. Certain businesses that were closed or sold during the periods covered by the table above were either not separate operating segments or were not major separate lines of business that would allow for reclassification as discontinued operations in the financial statements with corresponding adjustments to comparatives. This includes businesses such as: Healthcare, Baileys, Solar, LW Gemmell, ATS, OptiComm and UHS. This reclassification has been made in the table above to enhance comparability of the continuing businesses and is consistent with the Segment Information Note in the Annual Report (note 2).
3. Continuing Hills Technologies segment Underlying EBITDA is a non-IFRS measure that adjusts continuing results for the effect of business sold or closed which could not be accounted for as Discontinued Operations under IFRS as a result of their not being separate operating segments or not being major separate lines of business. This measure enhances the comparability of continuing operations between periods and is consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
4. The non-IFRS measures used by the company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. The non-IFRS measures have not been subject to audit or review.

Snapshot – Continuing Hills Technologies segment

Continuing Hills Technologies segment (A$M)	FY14	FY13	Growth FY14 over FY13
Revenue[2,3]	**415.5**	**356.2**	**16.6%** ▲
Underlying EBITDA[1,3] % to revenue	**42.9** 10.3% ▲	**30.3** 8.5%	**41.6%** ▲

1. 'Underlying EBITDA' is a non-IFRS measure calculated as earnings before interest, tax depreciation and amortisation and excludes acquisition transaction and integration costs expensed under IFRS. This measure is consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
2. Certain businesses that were closed or sold during the periods covered by the table above were either not separate operating segments or were not major separate lines of business that would allow for reclassification as discontinued operations in the financial statements with corresponding adjustments to comparatives. This includes businesses such as: Healthcare, Baileys, Solar, LW Gemmell, ATS, OptiComm and UHS. This reclassification has been made in the table above to enhance comparability of the continuing businesses and is consistent with the Segment Information Note in the Annual Report (note 2).
3. Continuing Hills Technologies segment Revenue and Underlying EBITDA are non-IFRS measures that adjust continuing results for the effect of business sold or closed which could not be accounted for as Discontinued Operations under IFRS as a result of their not being separate operating segments or not being major separate lines of business. These measure enhances the comparability of continuing operations between periods and are consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
4. The non-IFRS measures used by the company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. The non-IFRS measures have not been subject to audit or review.

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FY14 balance sheet

Statutory balance sheet

(all in A$M)	30 Jun 2014	31 Dec 2013	30 Jun 2013
Receivables and other assets	104.4	92.1	85.3
Inventory	59.4	50.7	42.5
Assets held for sale	7.8	149.2	146.1
Current assets **(excluding cash)**	171.6	292.0	273.9
Non-current assets **(analysed in later slide)**	186.8	201.3	184.0
Total assets **(excluding cash)**	358.4	493.4	457.9
Payables and provisions	121.7	112.5	107.0
Liabilities held for sale	-	51.1	75.9
(Net cash) / net debt	(8.5)	67.9	4.0
Total equity	245.2	261.8	271.0
Net debt/(net debt + equity)	**NA as net cash**	20.6%	1.4%
Hills' Funds employed [(total assets excl. cash and deferred tax) – (total liabilities excl. borrowings)]	180.7		214.5
Full year underlying EBIT[1]	41.7		33.4
Hills' return on funds employed [(Full year underlying EBIT[1] / Hills' Funds employed at year end)]	23.1%		15.6%

Steel assets held for sale in prior periods now disposed. Remaining $7.8M relates to a property sale under contract.
Trading working capital is analysed in the next slide.

Hills had a positive net cash balance as at 30 June 2014 of $8.5m. Net debt in August 2014 is at circa $20M after the APG acquisition on 1 July 2014.

Reduction in equity due to on-market share buybacks and dividends paid.
During FY14, **12.3m shares** repurchased on-market (**5% of the ordinary shares** on issue at the beginning of the financial year).

1. Underlying Earnings before interest and tax (EBIT) is a non-IFRS measure calculated with reference to note 2 (c)(ii) of the Annual Report. It is calculated as Underlying Segment EBITDA per note 2 (c)(ii) less depreciation, amortisation plus the 'other' category in that reconciliation. Underlying EBIT is the numerator for the purposes of the Hills' ROFE calculation.

Note: The non-IFRS measures used by the Company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. The non-IFRS measures have not been subject to audit or review.

Trading working capital

As at (A$M)	Annual report reference	30 Jun 2014	30 Jun 2013	Change Jun 13 to Jun14
Trade receivables	Note 9	87.3	79.6	7.7
Inventory	Note 10	59.4	42.5	16.9
Trade payables	Note 16	(75.8)	(56.8)	(19.0)
Net trading working capital		**70.9**	**65.3**	**5.6**

Increase in net trading working capital of $5.6M (8.6%) is in line with the continuing Hills Technologies Segment revenue increase of 16.6%.

The closing balances as at 30 June 2014 included newly acquired businesses that have not yet contributed a full year of revenue.

Non-current assets

As at (A$M)	30 Jun 2014	31 Dec 2013	30 Jun 2013	Change Jun 13 to Jun14
Property, plant and equipment	47.6	69.3	78.8	(29.9)
Intangible assets	83.2	79.5	44.8	42.5
Deferred tax assets	56.0	52.5	60.4	(6.5)
Total non-current assets	**186.8**	**201.3**	**184.0**	**6.1**

The closing balance of Property, Plant and Equipment at 30 June 2014 included Land of $17.8M and Buildings of $13.0M.

Hills is not expected to be in a tax paying position in the near term. After the payment of the fully franked dividend of 3.60cps, Hills will likely not be able to fully frank any interim dividend or final dividend in FY15 due to significant carry forward tax losses.

FY14 net debt & cash flows

Net debt

	A$M
Net debt as at 30 June 2013	4.0
(Net cash) as at 30 June 2014	(8.5)

Hills had a positive net cash balance as at 30 June 2014 of $8.5M. Net debt in August 2014 is at circa $20M after the APG acquisition on 1 July 2014.

- Debt facilities earliest maturity is in August 2015 for one of the facility tranches
- Hills is currently engaging with its bankers to finance the entire facility on improved terms. This facility is expected to provide ample capacity for further acquisitions
- The $12.5M swing from net debt at 30 June 2013 to net cash of $8.5M at 30 June 2014 was after the following significant outflows:

On-market share buybacks	$22.3M
Acquisitions	$56.6M
Dividends	$16.0M
Restructure provision settlements	$20.9M
Total	**$115.8M**

During FY14, Hills repurchased **12.3m shares** on-market. This represents **5% of the ordinary shares** that were on issue at the beginning of the financial year. The average price paid throughout the year was **$1.81**.

- Significant capacity exists for further acquisitions and/or buy backs in line with the Company's strategic and financial objectives

Cash flows

(A$M)	FY14	FY13
Profit/(loss) after tax	26.4	(91.4)
Add back: Non-cash items (mostly depreciation, impairments)	7.0	124.6
Profit after tax adjusted for non-cash items	33.4	33.2
(Payout of)/increase in restructure provisions	(20.9)	28.2
(Increase)/decrease in working capital	(27.8)	20.0
Net cash (outflow)/inflow from operating activities	**(15.3)**	**81.4**
Acquisition of businesses	(56.6)	(5.1)
Acquisition of intangible assets (acquired intangibles and software)	(4.7)	(12.0)
Capex	(14.0)	(10.8)
Proceeds from the disposal of businesses and PP&E	144.0	47.4
Other investing cash-flow	1.8	0.9
Net cash flow from investing activities	**70.5**	**20.4**
Dividends paid	(16.0)	(12.3)
Payment for shares bought-back on-market	(22.3)	-
(Repayment) of borrowings	(29.8)	(50.2)
Other financing activities	(5.3)	(1.4)
Net cash flow from financing activities	**(73.4)**	**(63.9)**
Change in gross cash balance	**(18.2)**	**37.9**
Closing net cash/(net debt) after debt repayments	**8.5**	**(4.0)**

FY14 discontinuing operations net outflow was largely due to the settlement of restructuring and redundancy provisions made in FY13. This is shown as an operating cash outflow under IFRS.

FY13 included substantial reductions in working capital across the steel and continuing businesses after a major working capital reduction initiative.

Broadly speaking, in FY2014, the **$144M** of funds generated from asset and business disposals has funded:

- Investment in new businesses $ 56.6M
- Investment in new capex $ 14.0M
- Further retirement of Hills debt $ 29.8M
- Buyback of 5% of Hills stock on-market $ 22.3M
- Settlement of transaction costs, restructuring and redundancy provisions made in FY13 $ 20.9M

$143.6M

FY14 baseline results

FY14 – ‘Baseline’ results

	FY14 underlying EBITDA[1]	FY14 underlying NPAT attributable to owners[2]
FY14 reported underlying results	**50.9**	**27.3**
Add: estimated full year effect of acquisitions within the continuing Hills Technologies Segment and APG for a full year[3]	2.8	2.0
Less: results of other discontinued & discontinuing businesses (**not** shown as discontinuing under IFRS)[4]	(3.3)	(2.8)
Less: results of discontinued Building & Industrial Segment (**is** shown as discontinuing under IFRS)	(4.7)	(4.0)
Less: estimated full year effect of acquired intangible asset amortisation expensed under IFRS and estimated full year effect of depreciation on acquired assets	-	(1.5)
FY14 continuing baseline as a starting point for a full year in FY15	**45.7**	**21.0**

Includes estimated full year depreciation and amortisation of approximately $12M before tax.

1. ‘Underlying EBITDA’ is a non-IFRS measure calculated as earnings before interest, tax depreciation and amortisation and excludes acquisition transaction and integration costs expensed under IFRS. This measure is consistent with measures disclosed in the Segment Information Note in the Annual Report (note 2).
2. Underlying NPAT attributable to owners is a non-IFRS measure calculated with reference to slide 10.
3. This represents managements best estimate of the incremental full year effect of acquisitions within the continuing Hills Technologies Segment.
4. Certain businesses that were closed or sold during the periods covered by the table above were either not separate operating segments or were not major separate lines of business that would allow for reclassification as discontinued operations in the financial statements with corresponding adjustments to comparatives. This includes businesses such as: Healthcare, Baileys, Solar, LW Gemmell, ATS, OptiComm and UHS. This reclassification has been made in the table above to enhance comparability of the continuing businesses and is consistent with the Segment Information Note in the Annual Report (note 2).
5. The non-IFRS measures used by the company are relevant because they are consistent with measures used internally by management and by some in the investment community to assess the operating performance of the business in light of its change program. ‘Baseline FY14’ is considered relevant in order to assist investors formulate a baseline for the continuing Hills Technologies Segment. The non-IFRS measures have not been subject to audit or review.

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Key points from the accounts

Key points from the FY14 Annual Financial Report

- **Dividends**
  - Franking credit balance is down to $2M due to carry-forward tax losses
  - Future dividends are likely to be un-franked in the short to medium term
- **Corporate overhead**
  - A tranche of circa $5M costs that were charged to Steel and Lifestyle businesses are now absorbed by the corporate centre
  - This cost overhead is being maintained to facilitate material acquisitions in FY15
- **3PL/Logistics**
  - Savings from reduced staff costs, facility costs and freight consolidation are coming through
  - FY15 will be a year of fine-tuning the mix between internal 'super-branches' and external logistics
- **Depreciation and amortisation**
  - Continuing annual depreciation and amortisation expense is circa $12M
  - Amortisation is increasing due to acquired intangible assets amortisation under IFRS
  - Means it is more meaningful to use an EBITDA yardstick to measure Hills core operations going forward

Key points from the FY14 Annual Financial Report

- **Primus impairment as a result of asset sales**
  - The software was developed for the manufacturing and warehousing businesses
  - Hills has transformed away from Steel and from manufacturing and now has a lean operating model
  - The software is no longer fit for purpose and no longer required
  - This has been included in impairments, provisions and write-offs to date
- **Interest rate swaps**
  - These were put in place in a more difficult financing environment and made sense when Hills had higher levels of debt
  - Most of these have been closed-out early and a $700k charge was incurred in FY14
- **Restructure costs**
  - Redundancy and restructure provision settlements resulted in cash outflows of $20.9M in FY14
  - Further cash outflows related to restructure provisions of $20M will occur but over a longer period (3-5 years) being driven by things like lease make-good
- **Transformation savings**
  - The benefits of our transformation savings are included in our outlook statement

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Strategy & outlook

Our strategy

Strong revenue growth from technology and communications services, supported by best in class products from our partners here and around the world based on principles of:

Scorecard against FY14 – FY16 settings

Strategic

- We have grown by complementary acquisitions ✓
- We are #1 or #2 in our chosen markets ✓
- 75% of revenues from electronics and communications ✓
- 15 – 25% of revenue from services ▶ c10%

Financial and risk

- Sustained EPS growth ✓
- Return on funds employed > 13 – 15% ✓
- Net debt / net debt + equity <40% ✓
- Dividend payout ratio of 50 – 75% (fully franked) ✓
- Managing the risk reward trade off – Increased return can require increased risk ▶

Acquisition criteria

- #1 or #2 position in growth market ✓
- Trusted Brand ✓
- Product/Solution/Service IP and differentiation ▶
- Annuity revenue streams ▶
- Service revenue mix – 20 to 50% ▶
- EBIT minimum 10% ✓
- ROIC 13% to 15% ✓
- EPS accretive year 1 to 2 ✓

Hills intends to announce its FY15-17 settings at its AGM 31 October 2014.

✓ Achieved ▶ Continuing

New growth platforms

2014 → 2015 → Ample balance sheet capacity for larger acquisitions

Existing products

Access Control

Surveillance

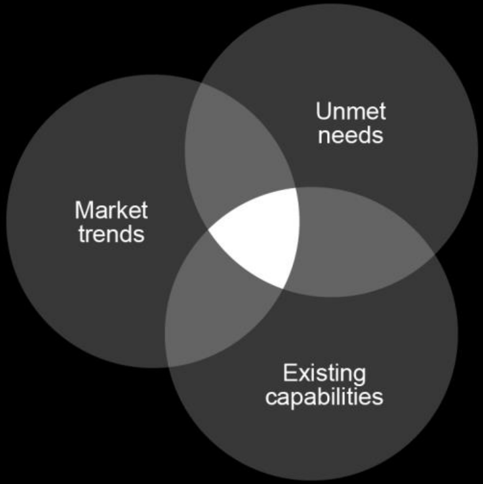
AV & Lighting

Communications

Health Devices

Home

Identification of growth opportunities



Hills' growth platforms

1 Security Building Technologies
- Access
- Surveillance
- AV & L

2 Health
- Devices
- Monitoring

3 Technology Services
- Comms & networks
- Service & support

FY15 Outlook

- **Hills outlook is for a solid FY15, reflecting expectations of underlying growth in Hills continuing technologies businesses**
- **Focus on new growth platforms, customer service and employee engagement**
- **Current guidance is for an underlying NPAT attributable to owners of $22M – 24M[1] (before further acquisitions)**
- **Ample debt capacity to fund further acquisitions (ultimate value will be subject to target profile and cash flows)[2]**
- **Hills focus to be in security, health and services**

1. Underlying NPAT attributable to owners is a non-IFRS measure calculated as: NPAT attributable to owners adjusted for business combination acquisition transaction costs after tax offset by one-off income tax credits associated with business sales (if any).
2. Note net debt in August 2014 c$20M reflecting in part the post balance date acquisition of APG.

Thank you