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21 April 2016

ASX On-Line
Manager Company Announcements
Australian Securities Exchange

Dear Sir

Investor Market Briefing Strategy Presentation

Attached is a copy of the Investor Market Briefing Strategy Presentation hosted by Tim Salt, Chief Executive Officer of GWA Group Limited to be held in Sydney at 9:30am (AEST) today.

The presentation will be webcast and accessible via the GWA website at www.gwagroup.com.au.

Yours faithfully

R J Thornton
Executive Director



Investor Market Briefing Strategy Presentation

21 April 2016



This presentation contains non-IFRS financial measures to assist users to assess the underlying financial performance of the Group.

The non-IFRS financial measures in this presentation were not the subject of a review or audit by KPMG.

Agenda

Strategic Overview	Tim Salt
Bathrooms & Kitchens	Tim Salt
Door & Access Systems	Sean Ralphsmith
Break/Product Displays	
Supply Chain	Sean Mitchell
Financial Summary	Patrick Gibson
Summary	Tim Salt

Strategic Overview

Tim Salt

Bathrooms & Kitchens

Tim Salt

Door & Access Systems

Sean Ralphsmith

Supply Chain

Sean Mitchell

Financial Summary

Patrick Gibson

Summary

Tim Salt

Key themes for today

#1

Significantly re-positioned over the last two years – effectively a new business

- Divestments provide clear focus on core divisions with strong ability to compete
- Market leading brands, new management team in place, strong supply chain partnerships
- Balance sheet in solid position

#2

Strong ability to manage through the cycle

- Over 50% exposure to ~\$900m Renovations and Replacement segment – (less cyclical segment)
- Business efficiency program in place – targeting ~\$13-15m in cost savings to provide investment and margin resilience
- Low capex requirements, strong cashflow generation through the cycle

#3

Significant opportunities for organic growth

- Operates in a ~\$2 billion addressable market with ability to build share in key segments (e.g. tapware)
- Strong pipeline of NPD and customer programs to drive share gains
- Leverage strong brands and digital platform to re-connect with consumers

#4

Focus on maximising value for shareholders

- Dividend policy announced at 65-85% of NPAT
- Prudent approach to capital management

Strongly re-positioned for growth

From	GWA today
Diverse Building Products business spread across numerous segments (Dux, Brivis, Gliderol exited)	Clear focus on two segments with strong market positions and market leading brands
Diverse brand portfolio across numerous segments	Rationalised portfolio focused on market leading brands (Caroma, Dorf, Gainsborough)
Focus on local product manufacturing	Focus on customer and consumer markets Collaborative partnerships with suppliers to deliver product solutions specified for Australian conditions/regulations
Net Debt \$176 million (June 2012) Capital investment required for manufacturing operations	Net Debt \$91M (December 2015) Credit metrics in line with investment grade Low capital requirements enhances cash conversion
Non recurring items (NRIs) impact reported financial results	Restructuring virtually complete – no NRIs in 1HFY16
De-centralised Group functions	New management team; centralised Group functions drives operational efficiency

GWA today – focused business positioned for growth

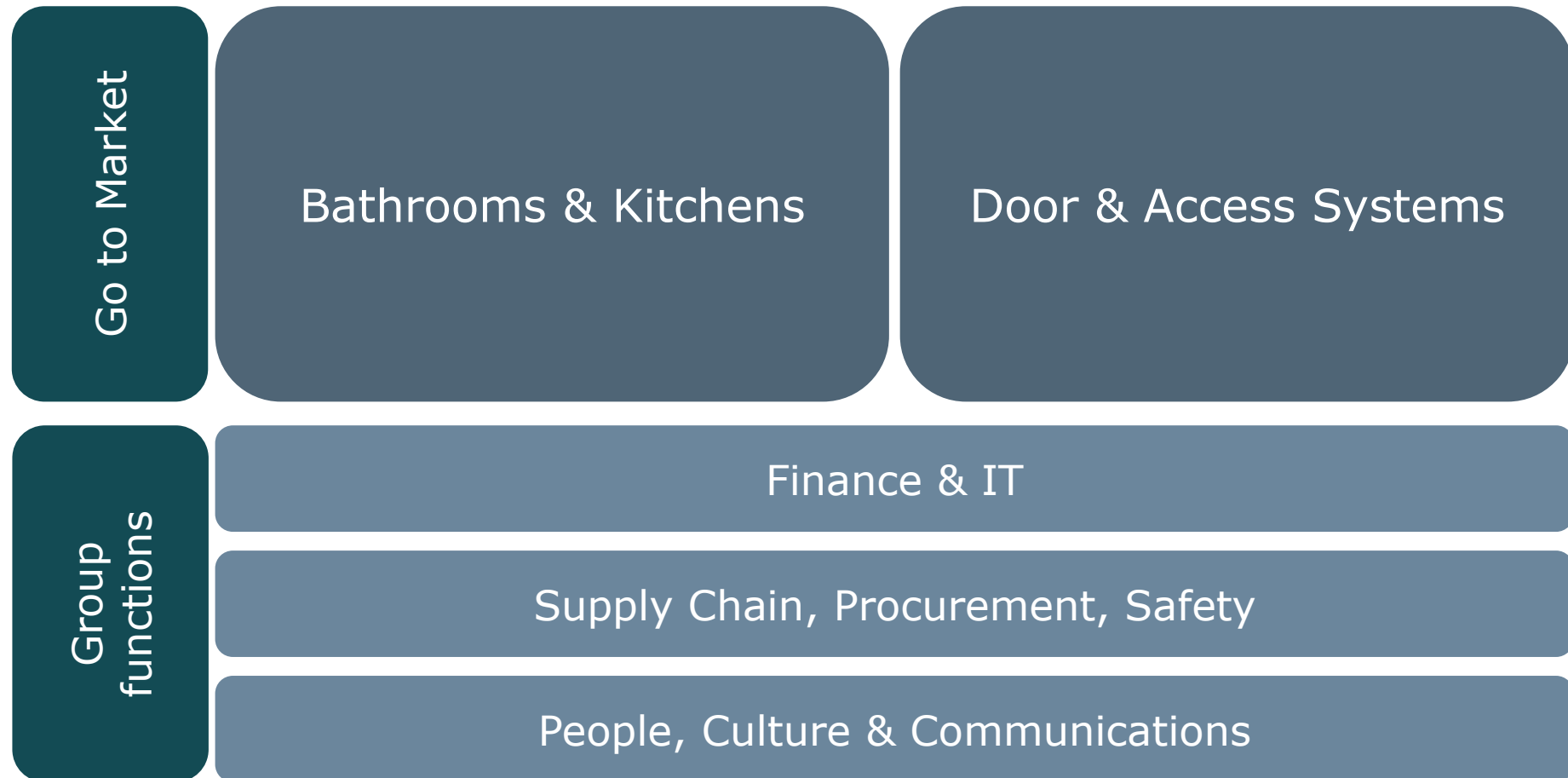
Key Facts

- A leading designer and supplier of branded building fixtures to household and commercial premises
- Focused on Bathrooms & Kitchens and Door & Access Systems
- Listed on ASX since May 1993 – included in ASX 200 index
- ~A\$600 million market capitalisation
- Annualised revenue of over \$400 million
- 8,500 shareholders
- 900 employees

Investment Highlights

- Owner and distributor of market leading brands in core categories in over \$2 billion addressable market - positioned well for growth
- Significant scale in A/NZ across all aspects of value chain across building sector
- Enviably reputation within building sector for product quality, technical expertise and superior service
- Cost efficient long term supply agreements in place with selected exclusive partners with global expertise in manufacturing of bathrooms and kitchens and access and security products
- Experienced senior management team in R&D, design, brand building, supply and distribution, finance and sales
- Strong financial position with investment grade credit metrics and strong cash flow generation through the cycle

Simplified group structure focused on core business



New appointments strengthen management team

Key executives	Experience
 <p>Tim Salt CEO</p>	<ul style="list-style-type: none"> ▪ Extensive global experience in managing market leading branded portfolios - strong focus on product and brand innovation in b2b and b2c environments
 <p>Patrick Gibson CFO</p>	<ul style="list-style-type: none"> ▪ International experience managing finance functions of global companies and listed company experience in Australia
 <p>Sean Mitchell EGM Supply Chain</p>	<ul style="list-style-type: none"> ▪ Significant experience in leading & transforming large complex supply chains
 <p>Sean Ralphsmith EGM Door & Access Systems</p>	<ul style="list-style-type: none"> ▪ Extensive experience in managing manufacturing and distribution businesses with market leading brands
 <p>Kay Veitch EGM People & Culture</p>	<ul style="list-style-type: none"> ▪ Wide-ranging commercial and HR experience in customer, product and service organisations
 <p>Richard Thornton Company Secretary</p>	<ul style="list-style-type: none"> ▪ Chartered accountant with extensive management experience in corporate compliance and risk
 <p>Craig Norwell EGM Bathrooms & Kitchens Sales</p>	<ul style="list-style-type: none"> ▪ Experience across blue chip consumer goods companies, running large field sales forces and managing key customers

Our brands are market leaders in their segments

Bathrooms & Kitchens

A leading designer and supplier of domestic and commercial bathroom and kitchen products including sanitaryware, taps, baths and sinks







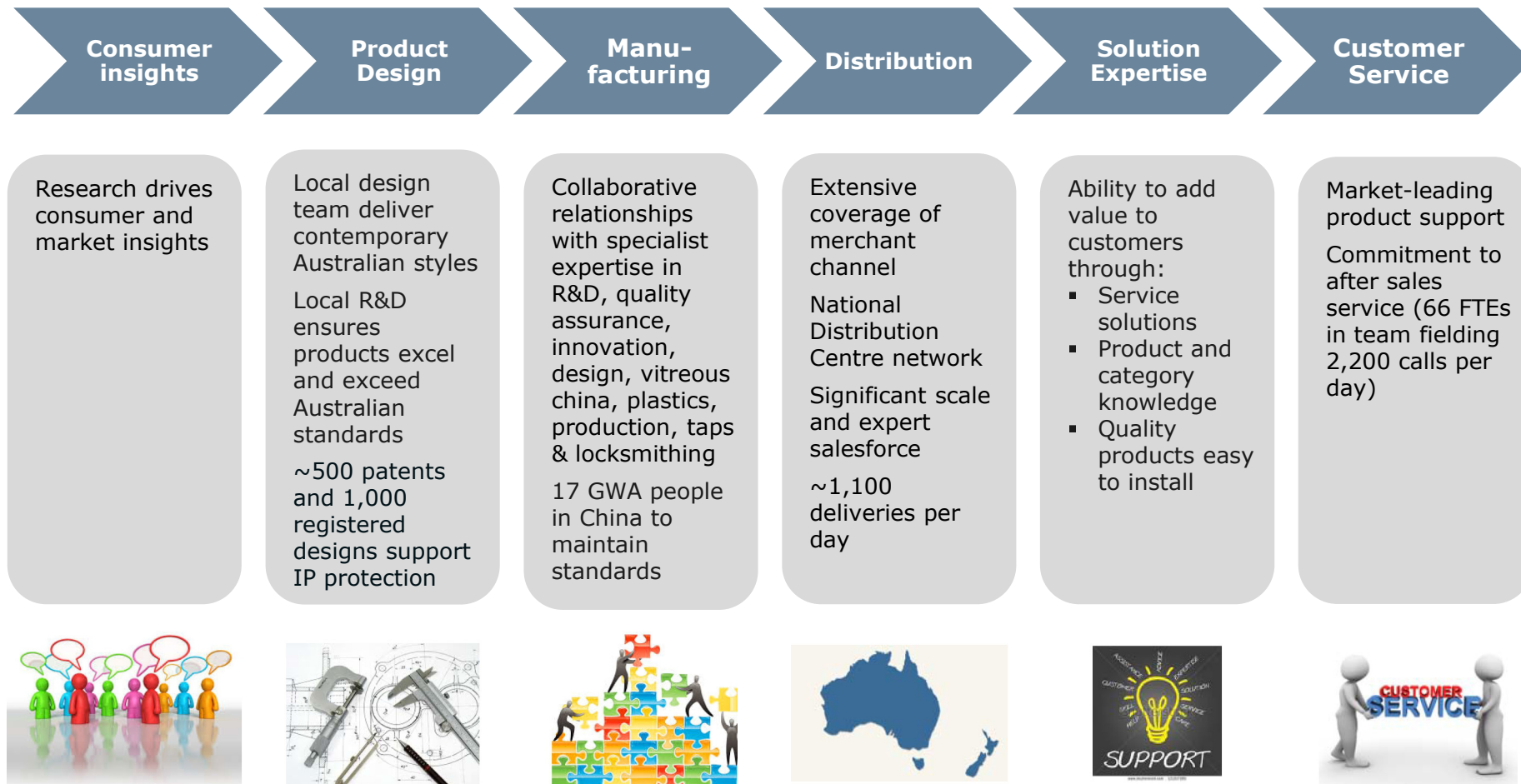
Door & Access Systems

Leading Australian designer, manufacturer, importer and distributor of a comprehensive range of access and security systems for use in residential and commercial premises



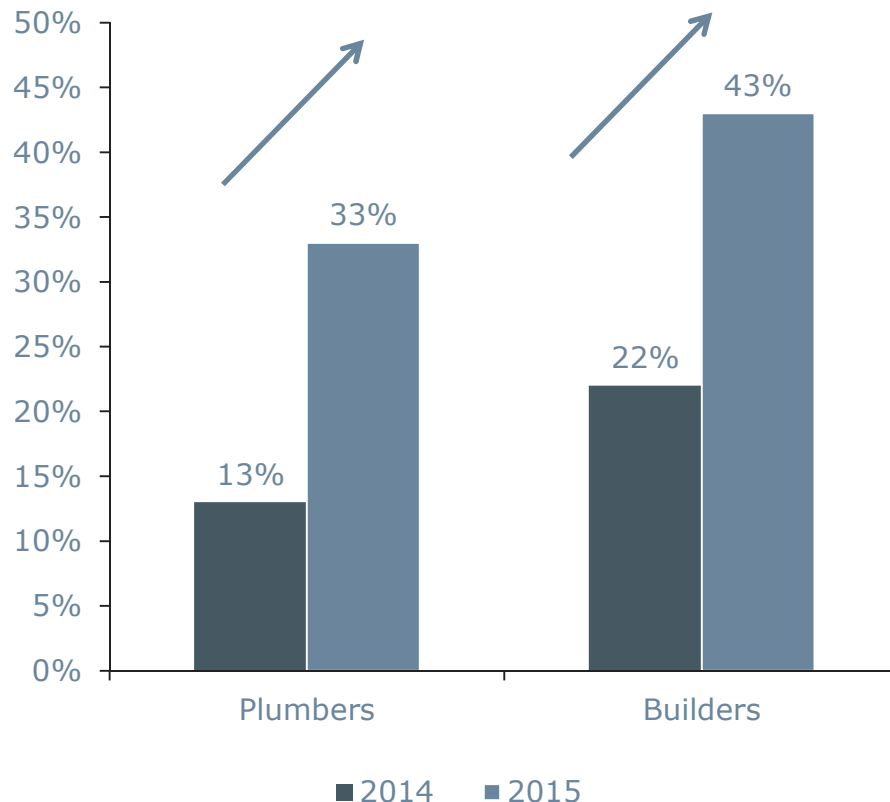

Our operating model meets local needs with global scale

Value Creating Operating Model



We have an enviable reputation among our customers

Net Promoter Score*



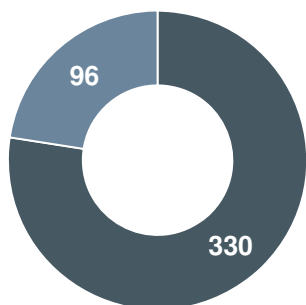
* NPS is for Bathrooms and Kitchens business

Customer feedback

- *"As a building company it is the one brand of product that we can order and install with no problems what so ever"*
- *"Caroma has been the most trusted brand in Australia for over 60 years. It has the most reliable products, you see them everywhere in commercial environments to homes and hospitals"*
- *"Caroma's R&D process and quality service delivery is unmatched in the market"*
- *"As Hydraulic Consultants involved with large 500 plus apartment developments we find Caroma the most reliable product to specify for all kitchen & bathroom applications"*
- *"Caroma is an innovative, state of the art, market leading brand that provides Australian designed products for the Australian market"*
- *"Always a quality product, reliable and plumber friendly as well as customer friendly"*

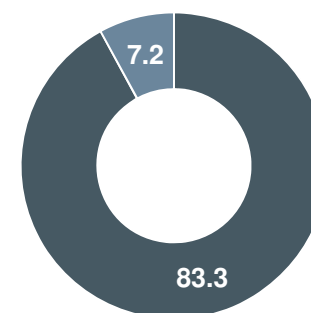
Our businesses are strong and growing

FY15 Revenue by Division (A\$m)



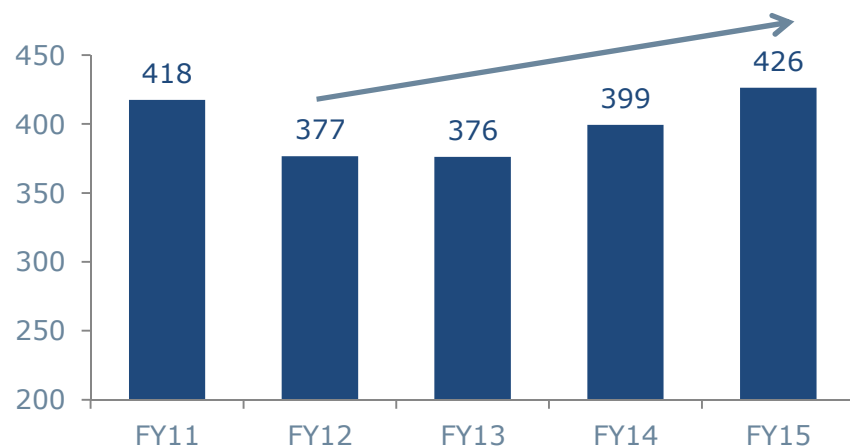
■ Bathrooms & Kitchens ■ Door & Access

FY15 EBIT by Division (A\$m)*

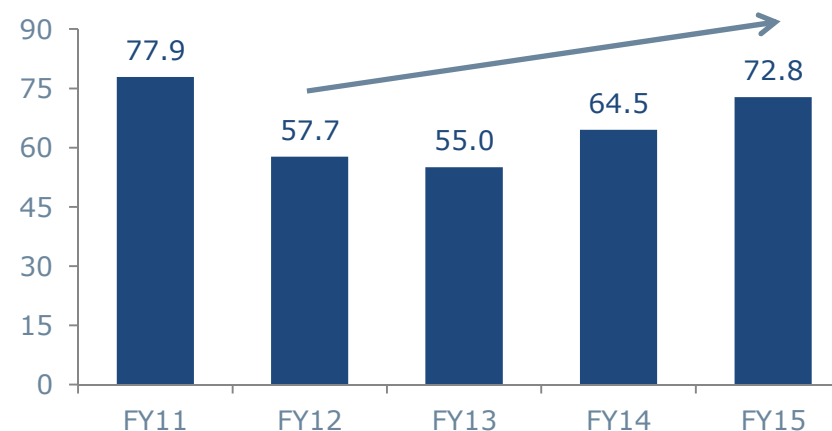


■ Bathrooms & Kitchens ■ Door & Access

Group Revenue (A\$m)



Group EBIT (A\$m)



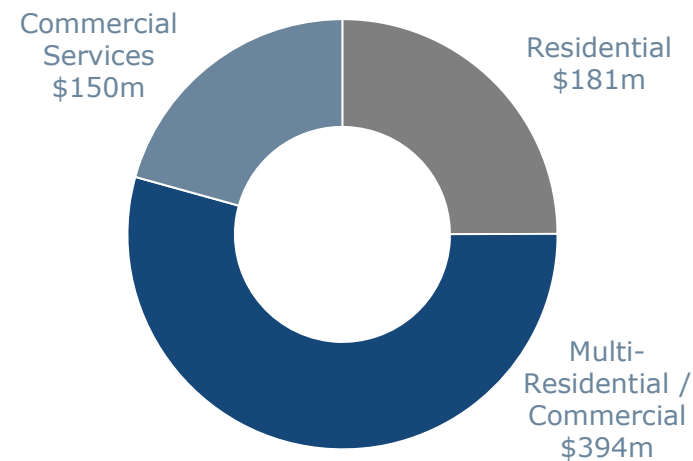
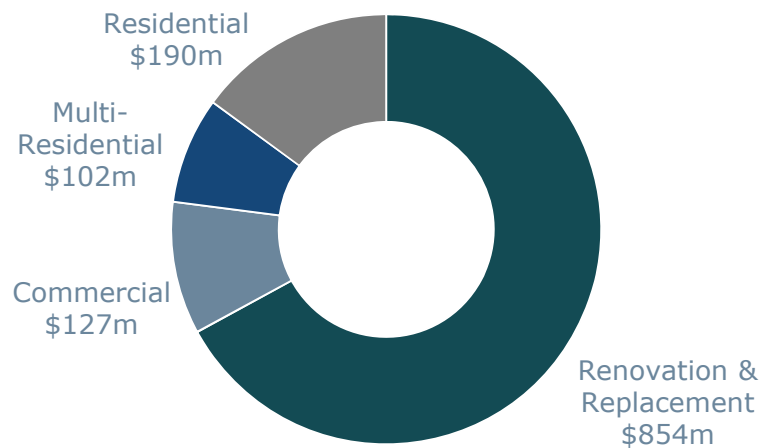
* Note: Excludes Corporate. Continuing Operations excluding Bravis Climate Systems, Dux Hot Water and Gliderol Garage Doors divested in FY15/FY16.

We have opportunity to grow in a A\$2 billion market

A\$2 billion addressable market

Bathrooms & Kitchens (A\$1,300m)

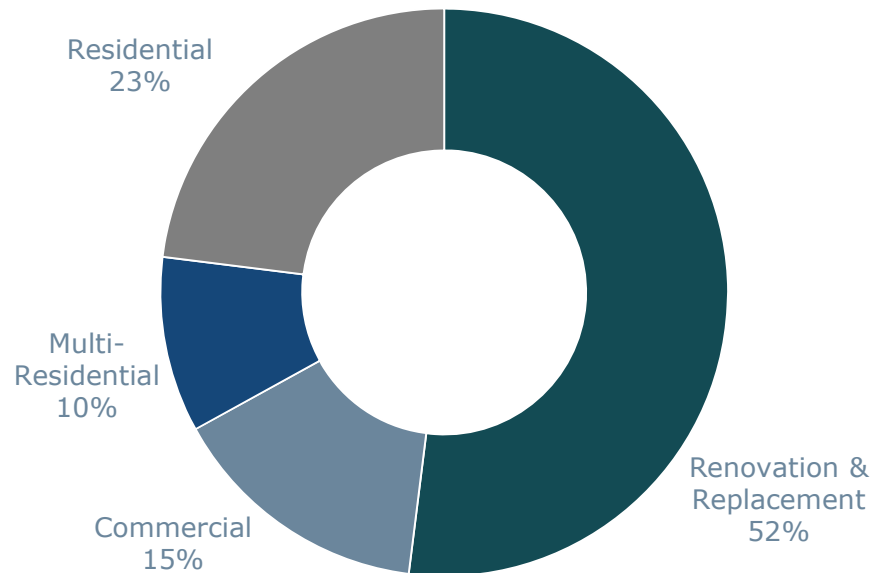
Door & Access Systems (A\$725m)



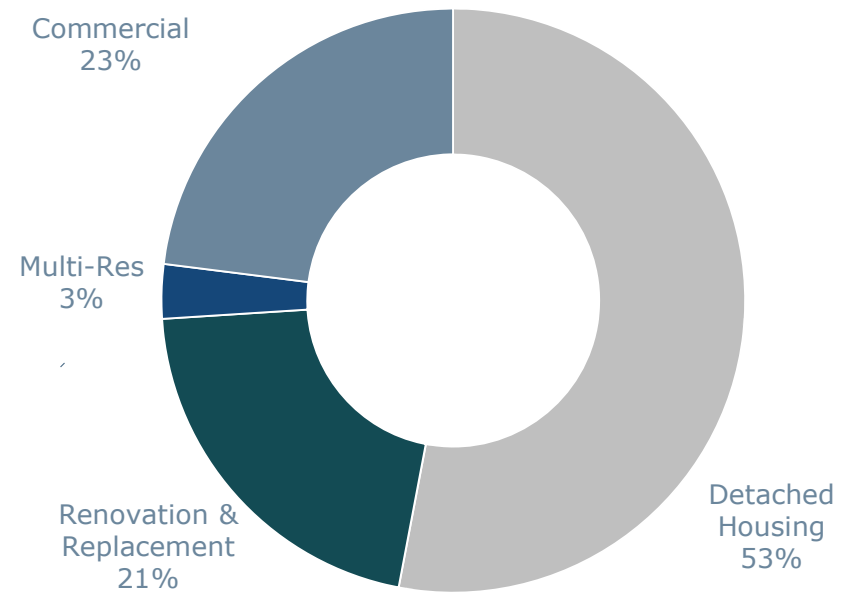
Source: GWA estimates, Australia market only

Strong presence in R&R segment – manage through cycle

B&K revenue by end market (%)



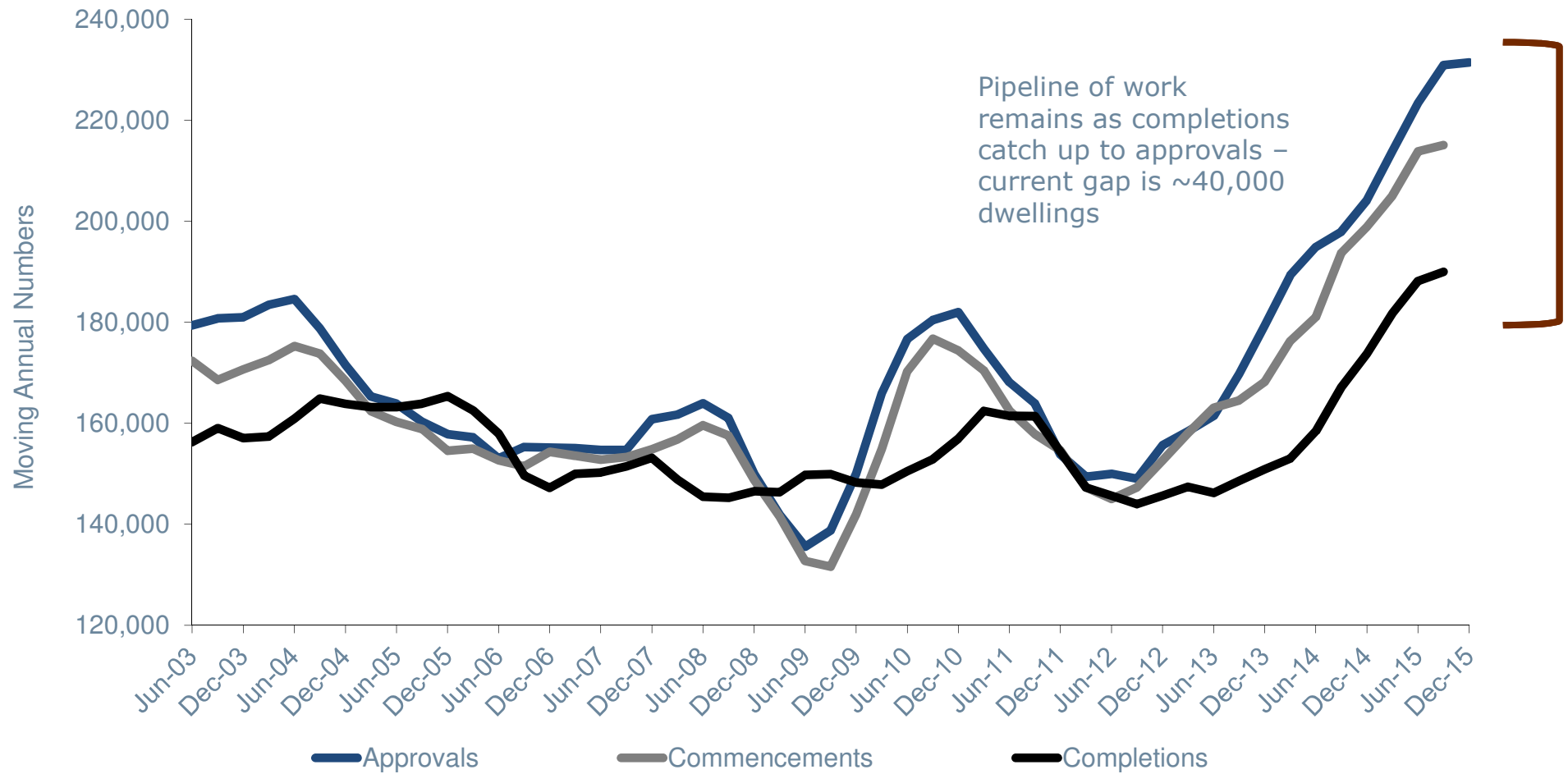
D&A revenue by end market (%)



Source: GWA estimates

Continued demand into FY17 as completions lag approvals

Australian housing statistics (#)



Source: ABS

Our Mission:
**To build GWA as the most trusted and respected company
in the building sector**

Our Purpose: MAKING LIFE BETTER

with simple, superior water solutions

Bathrooms & Kitchens

with a superior range of access and security systems

Door & Access Systems

GWA Operational Measures

Market share, NSV, EBIT, ROFE, DIFOT, NPS, Safety, Engagement

**Corporate
Priorities**

Drive cost out in
SG&A and Supply
Chain to improve
profitability and
allow selective
reinvestment

Build an
advantaged
Supply Chain to
deliver superior
NPD, Quality and
Service at best
cost

Build "fit for
future" culture,
engagement and
capability

Add value to
customers
through
improved
insights,
analytics and
processes

Leverage and
build on core
assets & brands
to drive revenue
and market share
growth

Maximise Shareholder Value Creation

Key Financial Measures – NPAT Growth, TSR, ROFE

Strategic Overview

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Summary

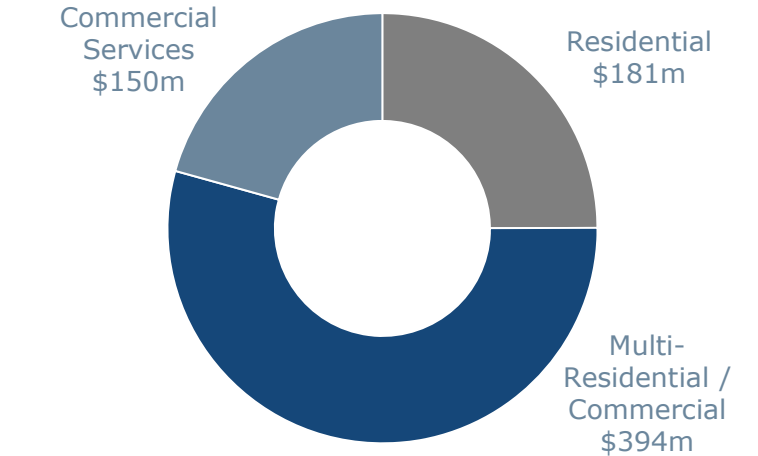
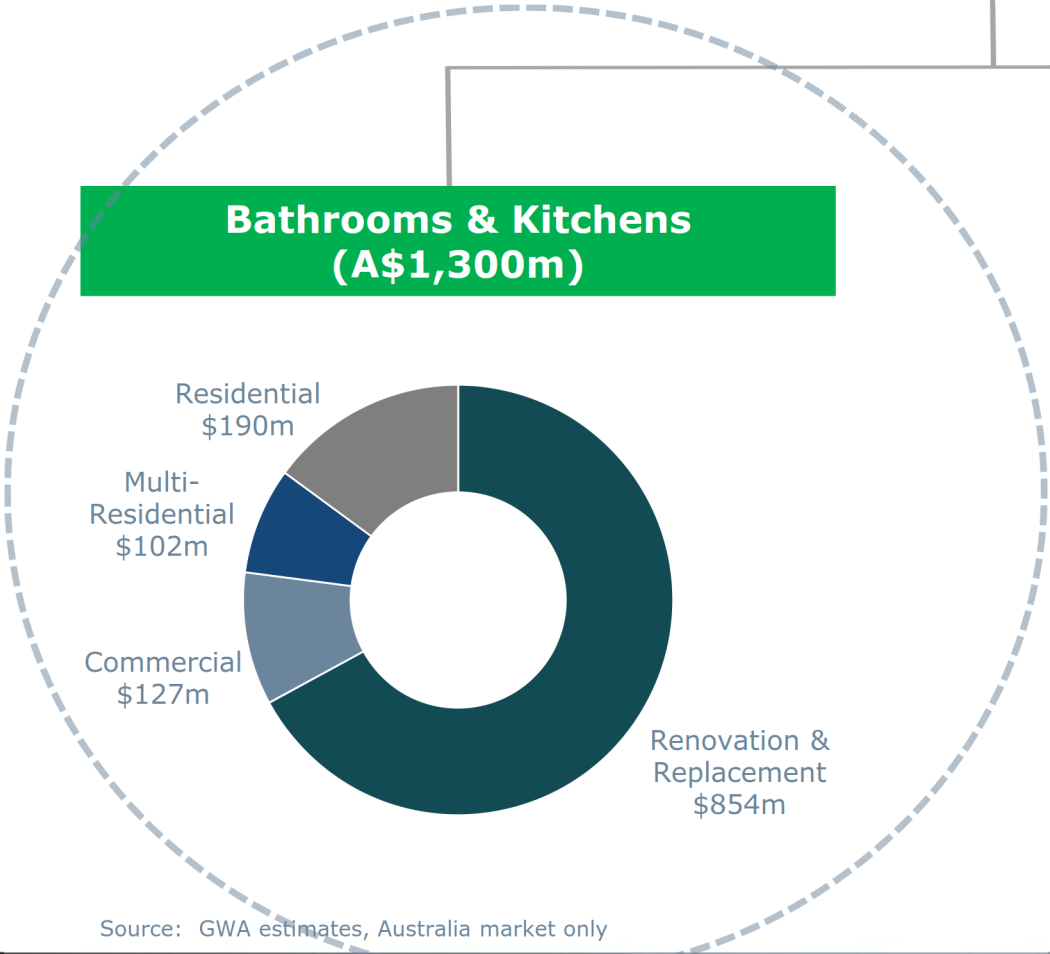
Tim Salt

We have opportunity to grow in a A\$1.3 billion market

A\$2 billion addressable market

Bathrooms & Kitchens (A\$1,300m)

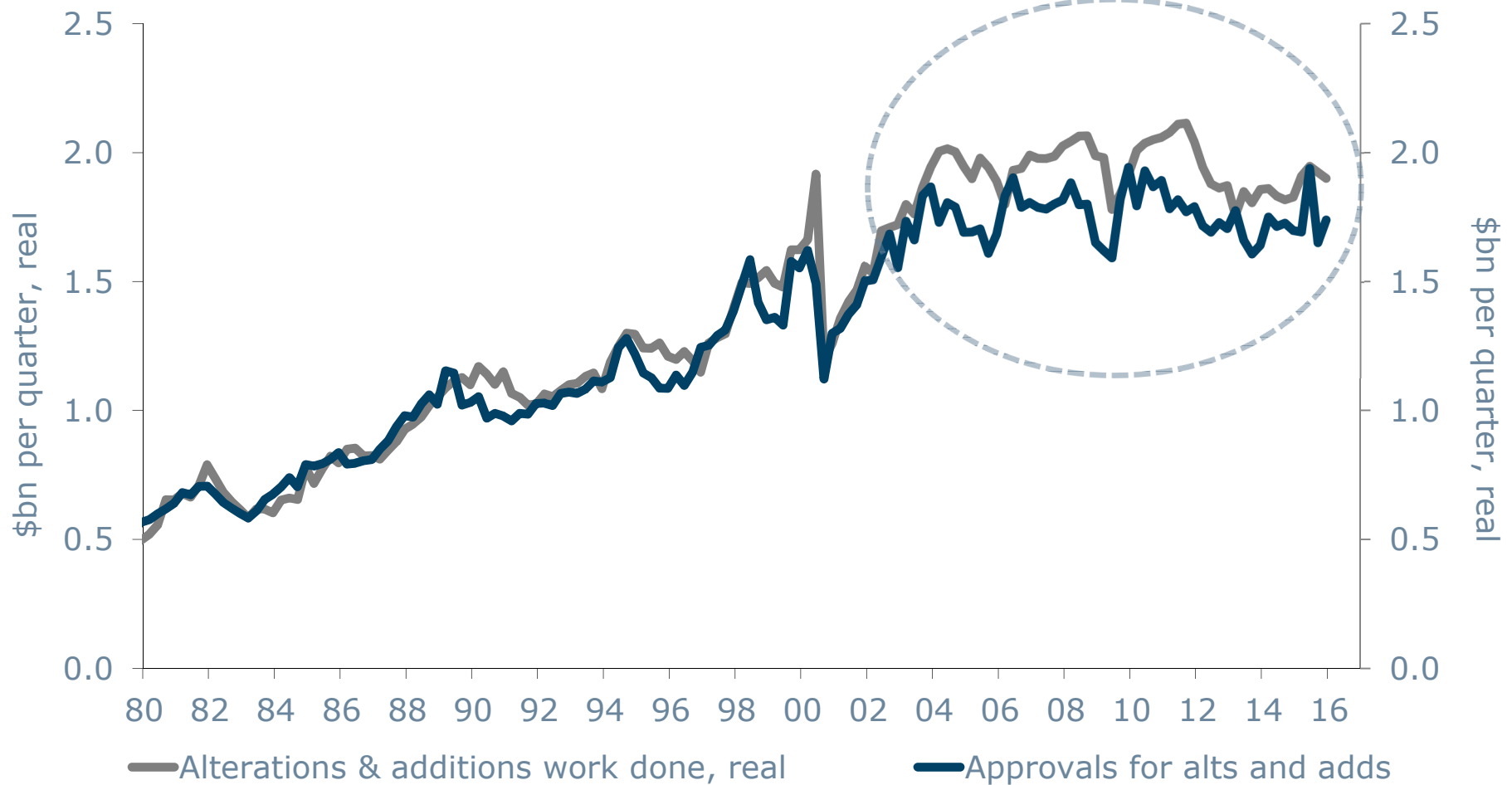
Door & Access Systems (A\$725m)



Source: GWA estimates, Australia market only

R&R segment remains stable

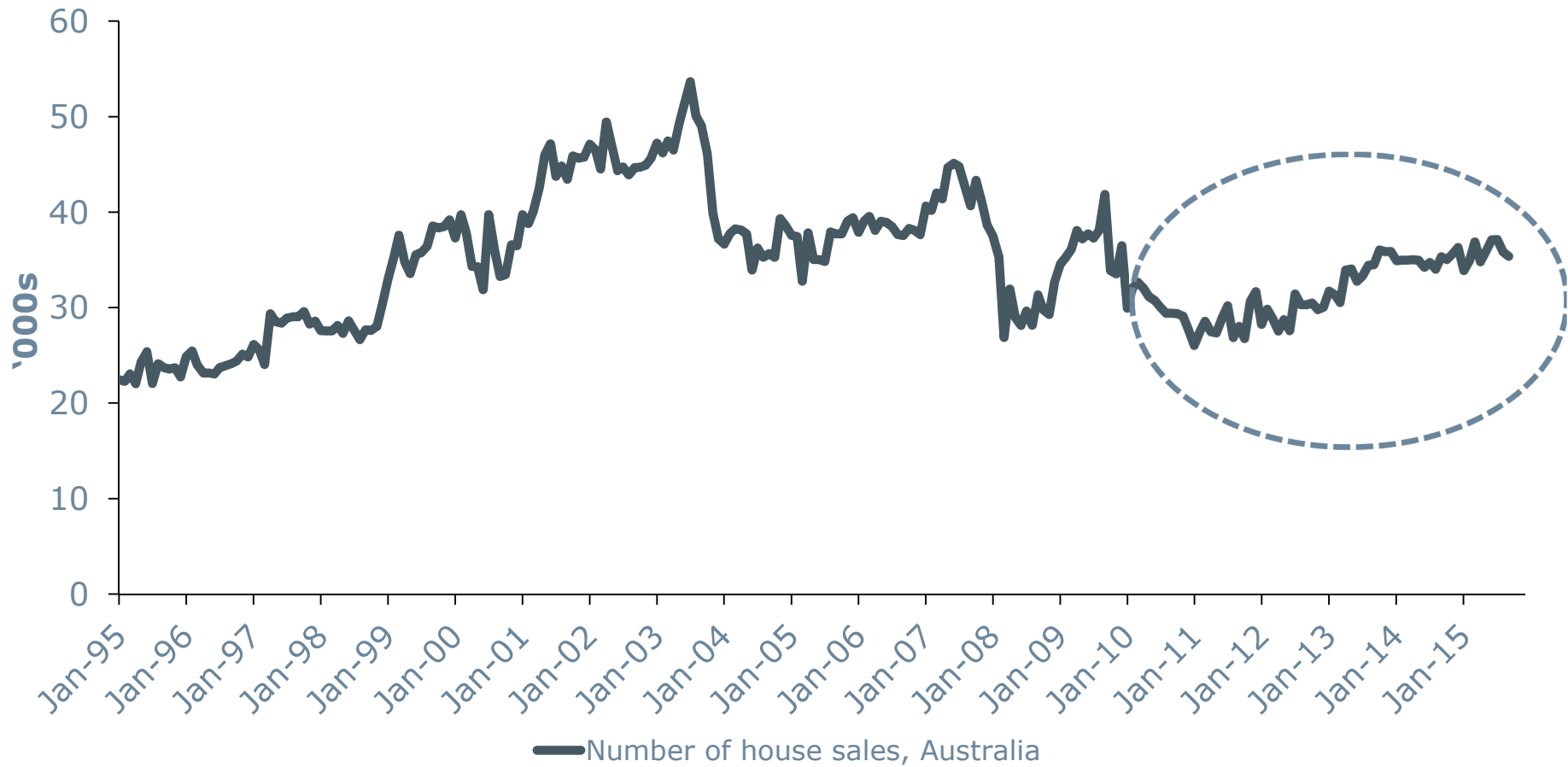
Renovation Activity (A\$bn)



Sources: ABS, ANZ Research

...and expected to remain stable as turnover is below peak

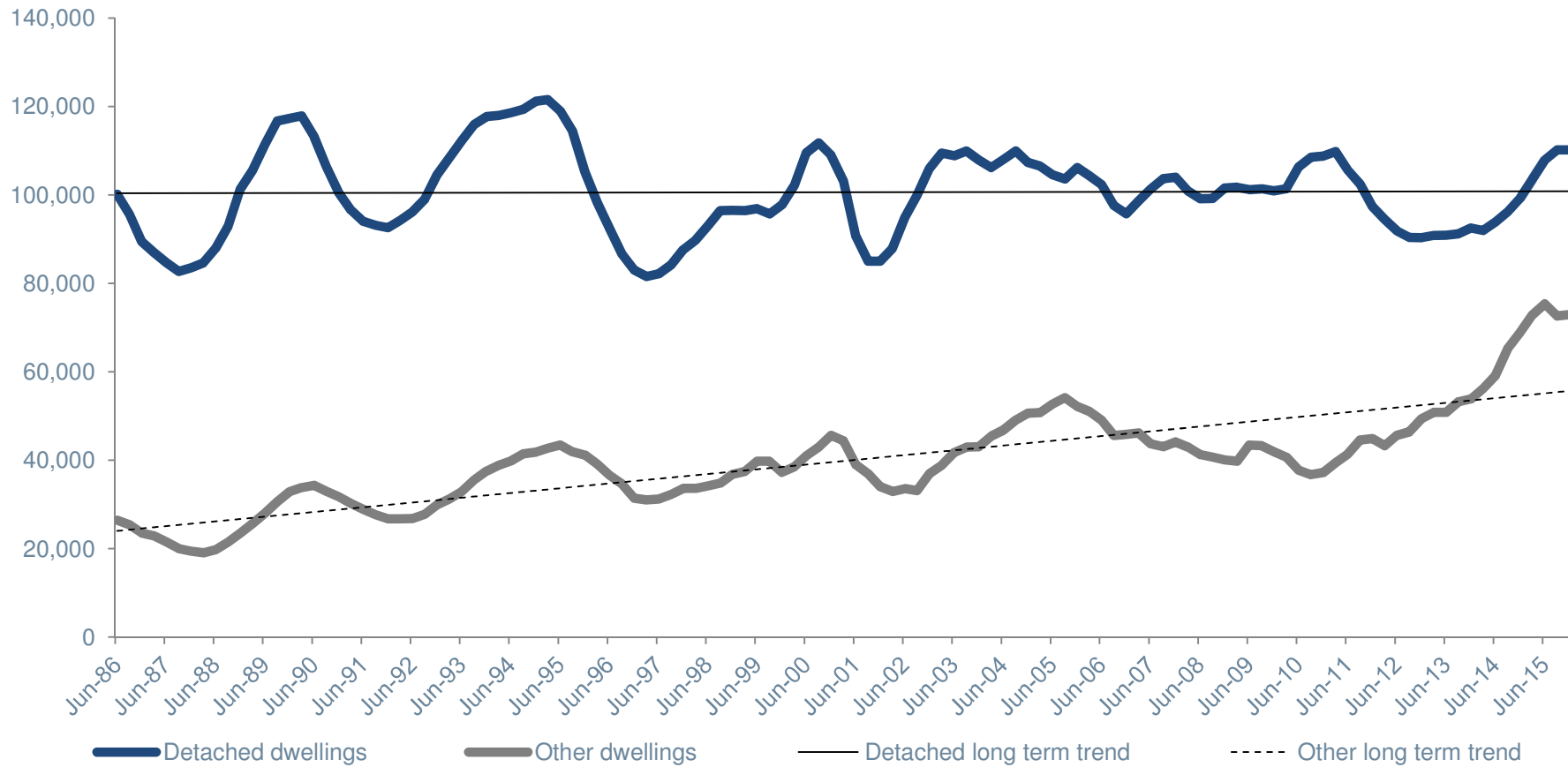
Housing sales ('000s)



Sources: ABS, ANZ Research

But multi-res is growing as a proportion

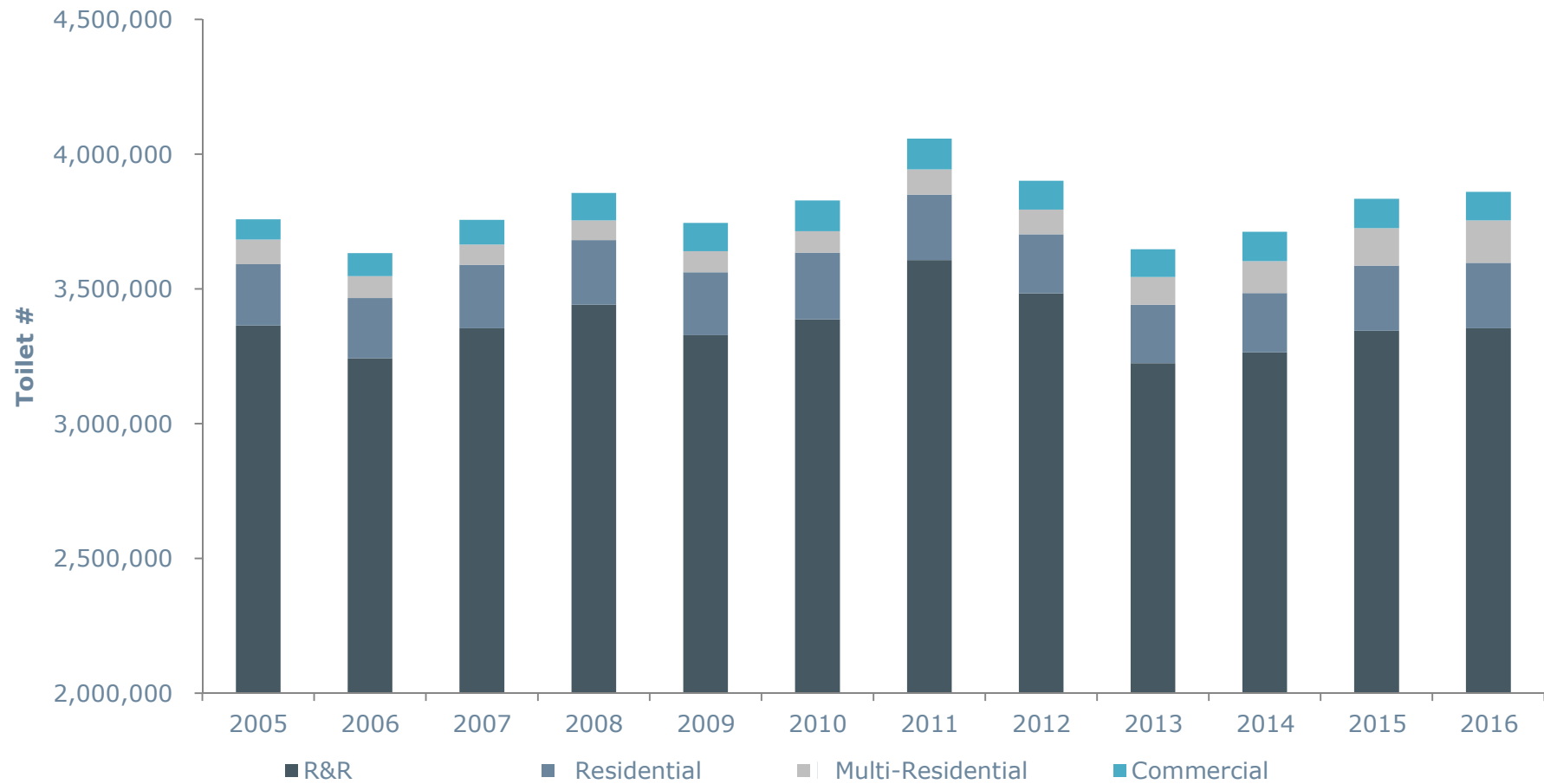
Dwelling completions by type ('000s)



Source: ABS

As a result bathroom market stable since peak in 2011

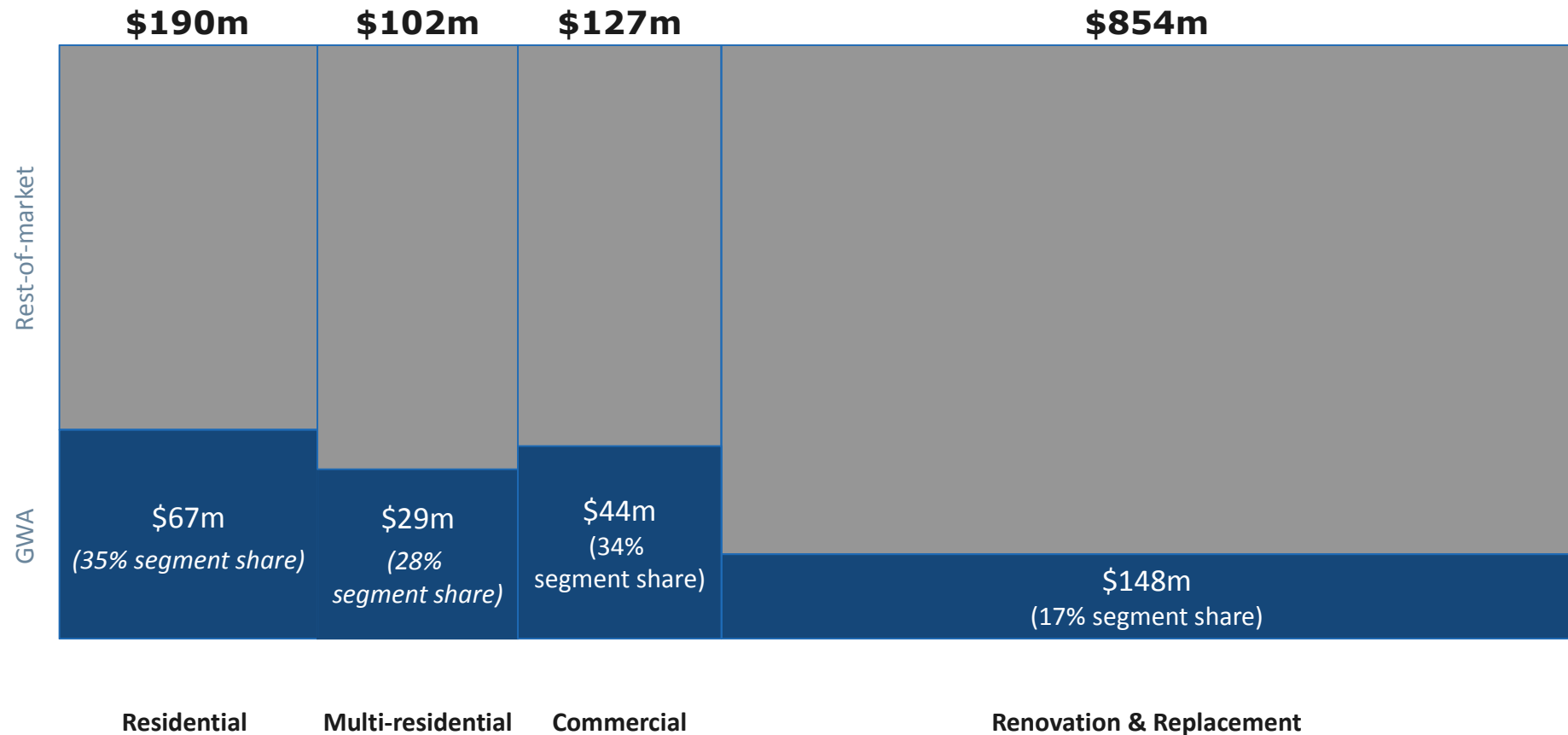
Addressable toilet market (#)



Source: GWA estimates. Includes seats, pans, cisterns and suites.

R&R is largest segment – opportunity for GWA growth

Addressable market by segment (NSV – A\$m)



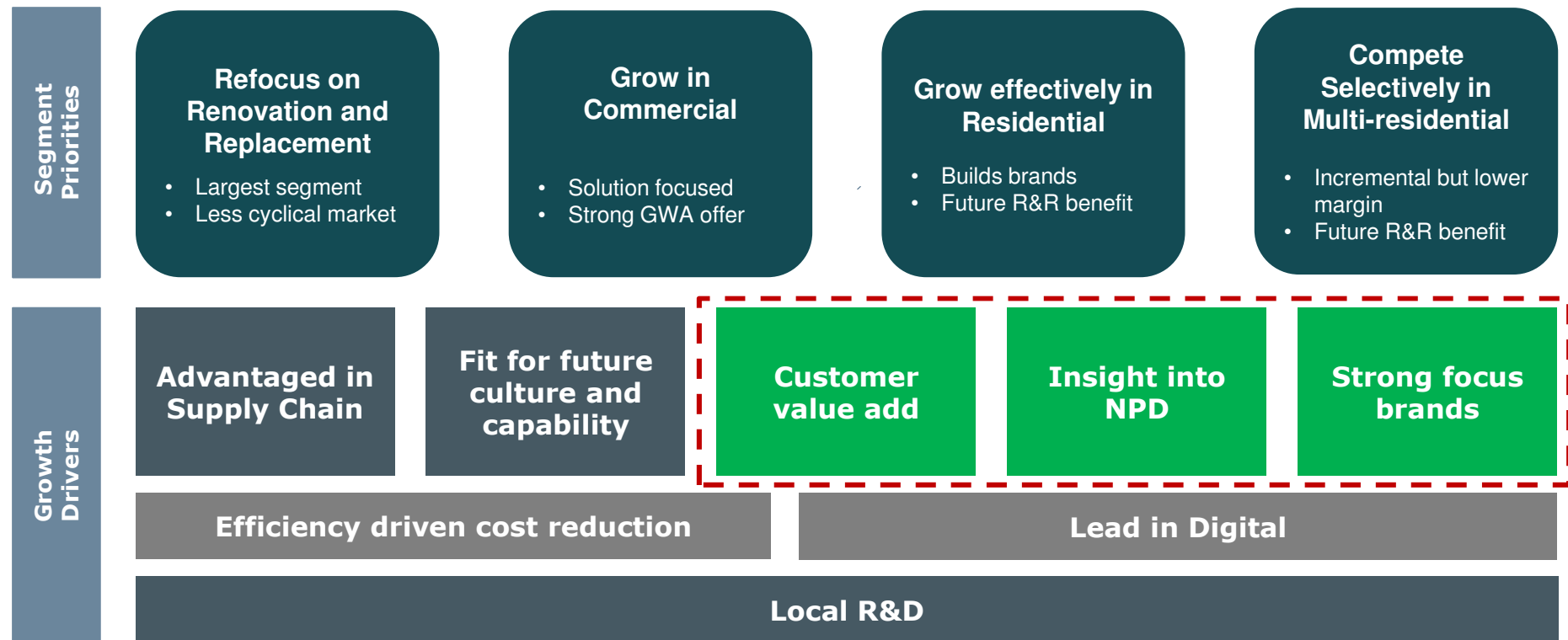
Source: GWA estimates – Australia market only, excludes NZ and Spares. Renovation and Replacement – includes Commercial R&R

How we will target this opportunity – strategic summary

Our Purpose
Making life better with simple, superior water solutions

Our Mission
To build GWA as the most trusted and respected company in the building sector

Our Operational Measures
Market share, NSV, EBIT, ROFE, NPS, Safety, Engagement



How we add value to customers

Market insight	Strategic implication	Key initiatives
<p>Merchant customers’ overriding goal is to drive <u>their</u> sales and profitability not ours</p>	<p>Build superior understanding of our customers’ business to partner in their growth</p>	<ul style="list-style-type: none"> ▪ Recruit key sales people with strategic account expertise ▪ Shopper understanding to shape range and merchandising ▪ Training programs for showroom consultants ▪ Creation of brand pull programs
<p>High cost of labour is the number one issue for plumbers. Time is money</p>	<p>Maximising plumber efficiency drives brand loyalty</p>	<ul style="list-style-type: none"> ▪ Deliver technological solutions to support plumber efficiency <ul style="list-style-type: none"> ▪ Caroma plumbers’ app ▪ Delivery estimator ▪ NPD focused on ease of installation (e.g. uni-orbital) ▪ Technical solution support
<p>The specification process is costly and time consuming for customers driven by constantly changing construction practices and regulatory changes</p>	<p>Customers place high value on technical expertise and problem solving Enable easy specification process and access to key information, advice and support to build loyalty</p>	<ul style="list-style-type: none"> ▪ In-house specification design team ▪ Facilitate architects specification via Specifycaroma.com.au ▪ Direct access to Caroma Revit for architectural solutions ▪ Recruit & train to deliver superior technical know-how
<p>Customers’ expectations for service continue to increase</p>	<p>Create a service offer that meets customer expectations at best cost</p>	<ul style="list-style-type: none"> ▪ Integrated Business Planning drives DIFOT ▪ Logistics capability upgrade ▪ Enhanced DC network ▪ Improved Warehouse Management and Supply Chain management tools

Adding value to customers

Caroma Plumbers' App

Over
48,000
downloads

4000+
active
users each
month



- The Caroma App is designed to make plumbers more efficient and reduce time on site
- Provide plumbers with access to valuable information on the go/on site such as set out requirements
- Be a selling tool that they can use with their customers
- New **delivery estimator functionality** recently released allowing plumbers to find out when any GWA product can be delivered to their chosen store
- Further releases planned over the next 18 months to further improve functionality

Digital value add – specify caroma.com.au

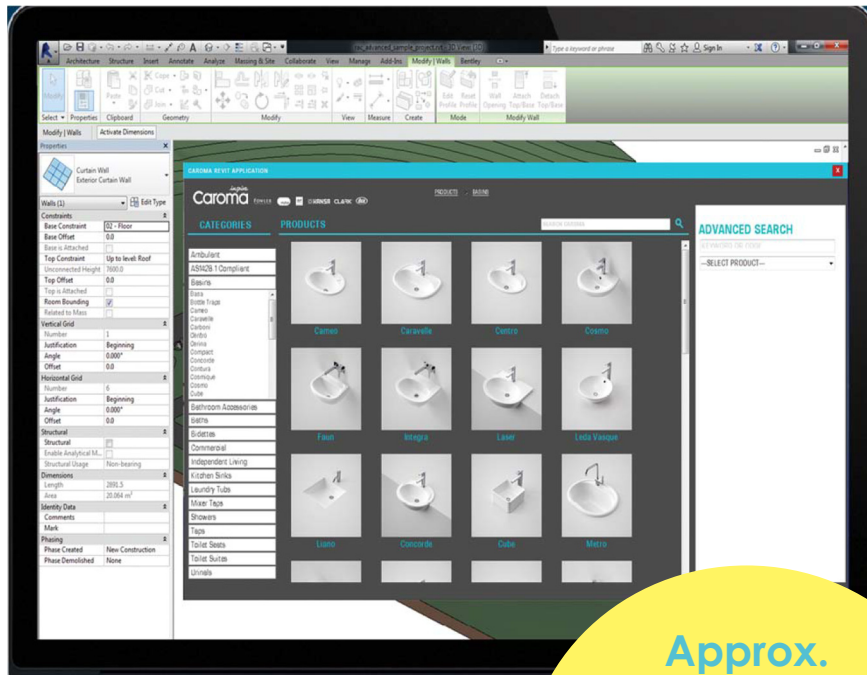
Specify caroma.com.au



- Fast access to valuable information required by project professionals in one convenient location. Designed to make specifying B&K products easy
 - Multi-branded site featuring all B&K brands
 - Focus on Business Information Modeling and more technical information
 - Products packages to make selection easier
 - Self-service specification option

Digital value add – Caroma revit add in

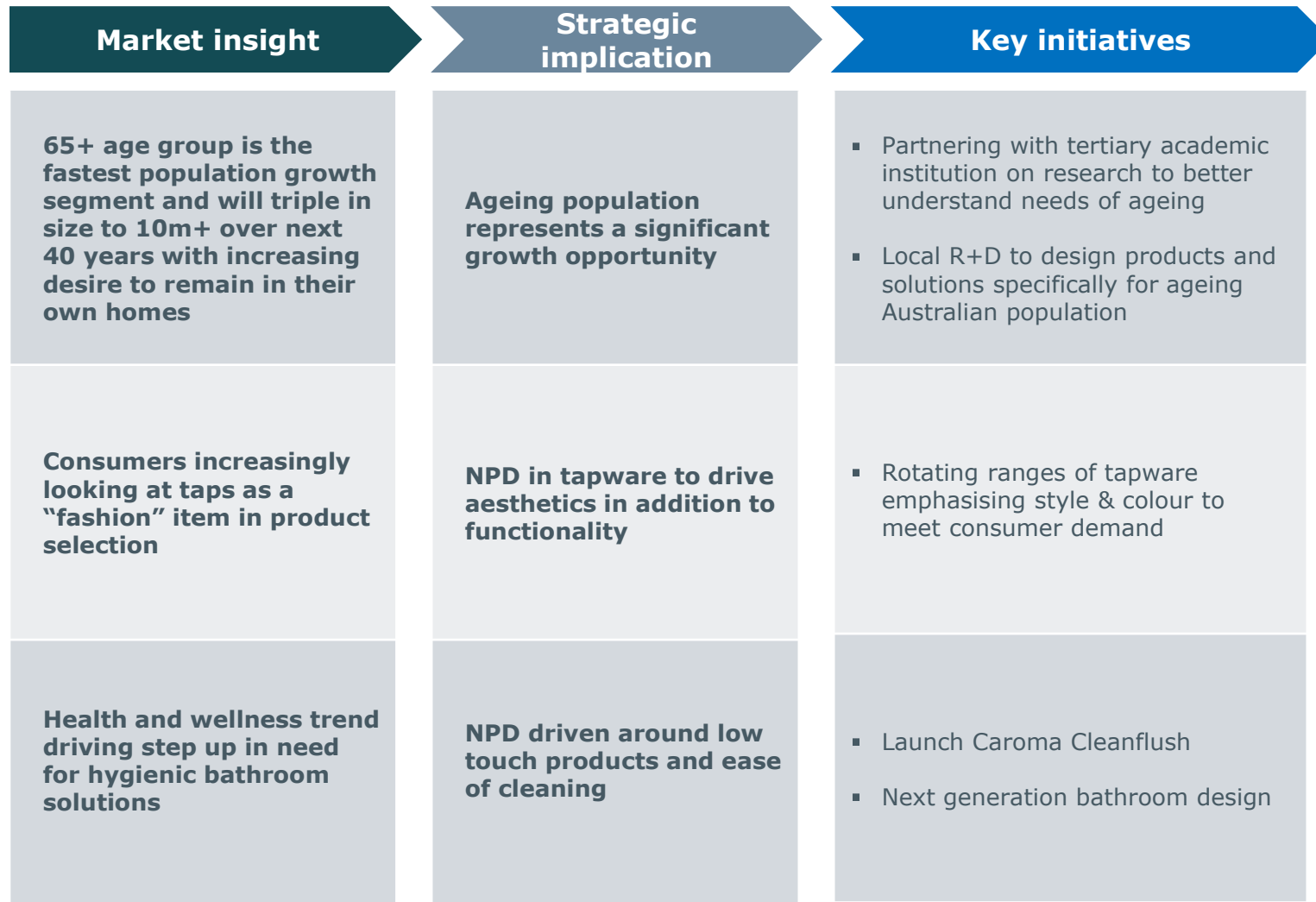
Caroma revit add in



Approx. 2000 professional downloads since May 2015

- The Caroma Revit Add In was launched in May 2015. The Add In allows for seamless integration of B&K information within the architect’s environment for ease of product specification
 - Allows architects & designers to directly download B&K files within Revit, saving time with specifications
 - Replicates the experience that a user would have on our specify website

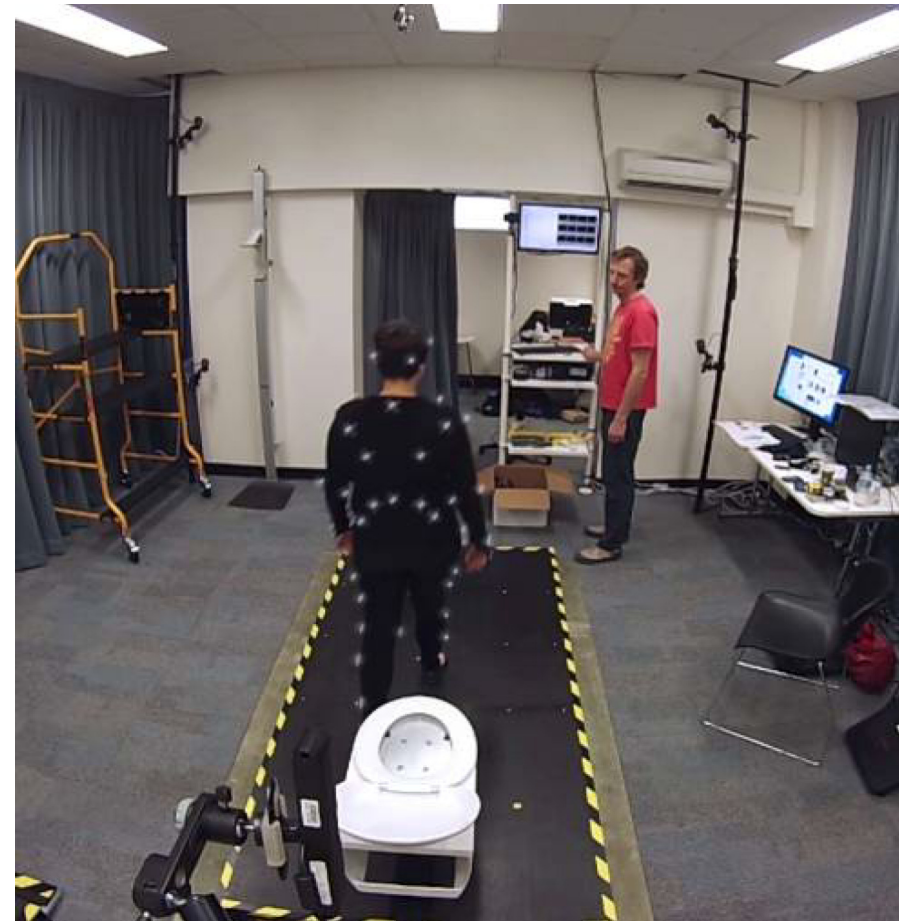
Powerful insights drive our NPD program



Powerful NPD insights – aged care research

UNSW Liveable Bathroom Project

- **Partnership between GWA and UNSW**
- 4,500 surveys returned completed by elderly Australians
- Largest of its kind in Australian history
- Database of seniors
- Analysis is identifying areas for potential innovative products and systems



Powerful NPD insights – new tap launch



Dorf Industrie



Dorf Epic Splice



Dorf Inca

Powerful NPD insights – Caroma Cleanflush launch



**Innovative Caroma
Flow Splitter**

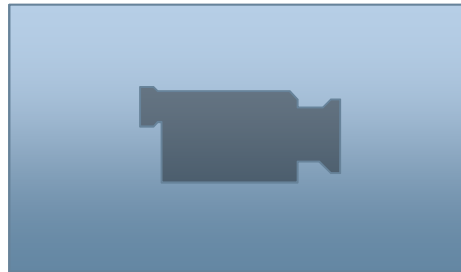


**Flush channel & superior
washdown performance**



**Caroma Flow Balancer (Pat. Pend)
Controls and directs flush**

Caroma Cleanflush



Strong focus brands

Market insight	Strategic implication	Key initiatives
<p>Consumers value brands that offer quality, reliability and style</p>	<p>Continue to build our brand experience at every touchpoint</p>	<ul style="list-style-type: none"> ▪ NPD driven off market insights ▪ Enhance visibility of brands in key partner showrooms ▪ Quality designed in by local R&D team
<p>Consumers now use digital as their primary source of information when considering renovation</p>	<p>Requires strong online presence to inspire, educate and inform consumers</p>	<ul style="list-style-type: none"> ▪ Superior understanding of user journey ▪ Upgrade digital experience across Caroma/Dorf/Clark ▪ Improve consumer engagement directly with our brands via social media
<p>New house purchase decisions are driven by the master bedroom ensuite, the kitchen and the house fascia</p>	<p>Ensure builders / architects recognise the importance of investing in the bathroom and our brands.</p>	<ul style="list-style-type: none"> ▪ GWA training and education ▪ Builders' Application System

Refocusing on brand visibility in store



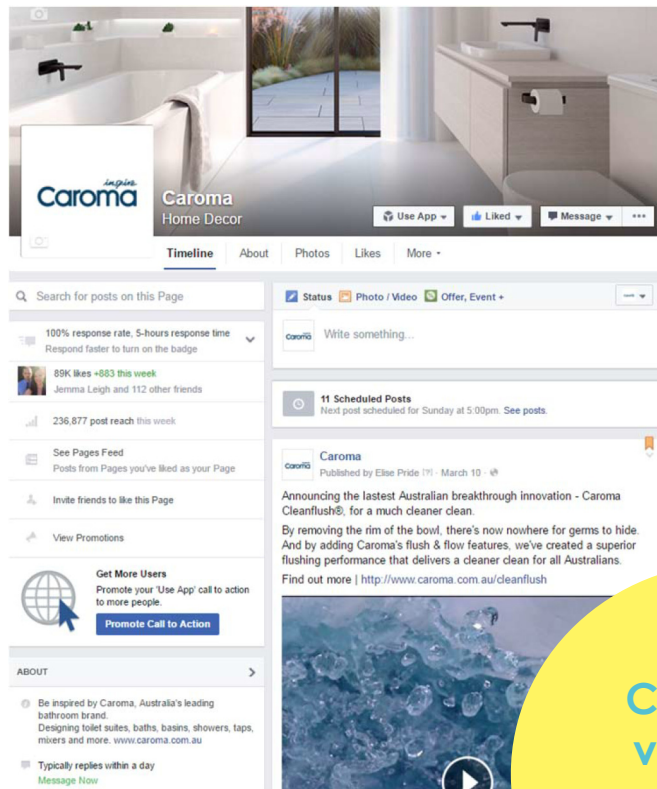
Major
showroom
upgrades
completed



Tap
displays
installed
nationally

Social media engagement with consumers

Social Media - Consumer

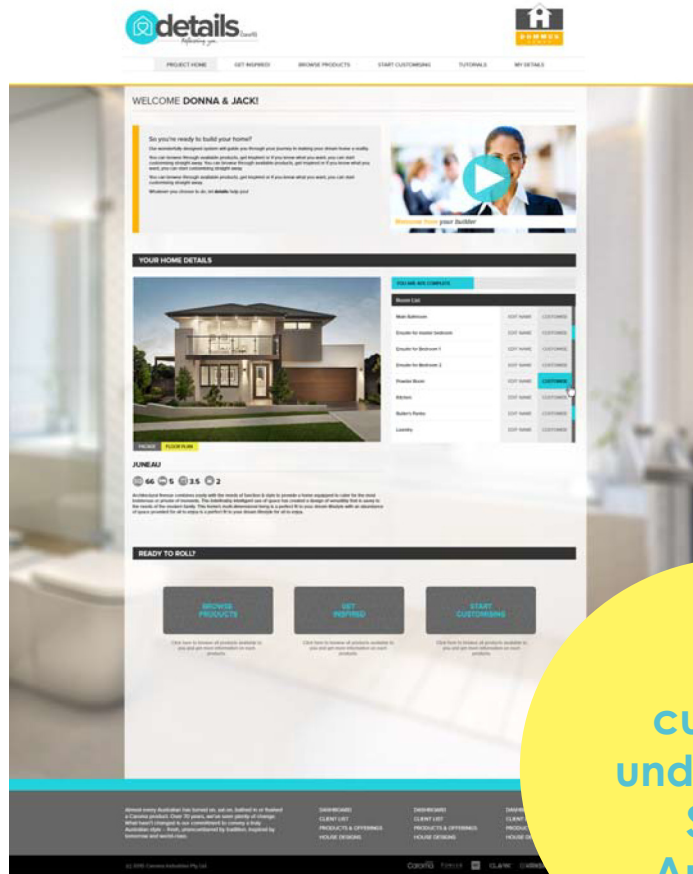


Cleanflush video has 221,000 clicks

- Social media channels launched to support Caroma consumer website in April 2014. The channels allow consumers to directly interact with our brand in real time.
- Caroma Cleanflush launch reached over 400,000 people, with over 221,000 clicking the launch video
- 125,000 unique visits to our websites every week
- We run crowd sourcing campaigns to better understand our audience, averaging over 1,000 direct responses
- We currently have over 120,000 engaged followers across 13 channels and all posted content drives traffic back to our websites.

Upgrade product selection with Builders' App

Builder Application System



Pilot
currently
underway in
South
Australia

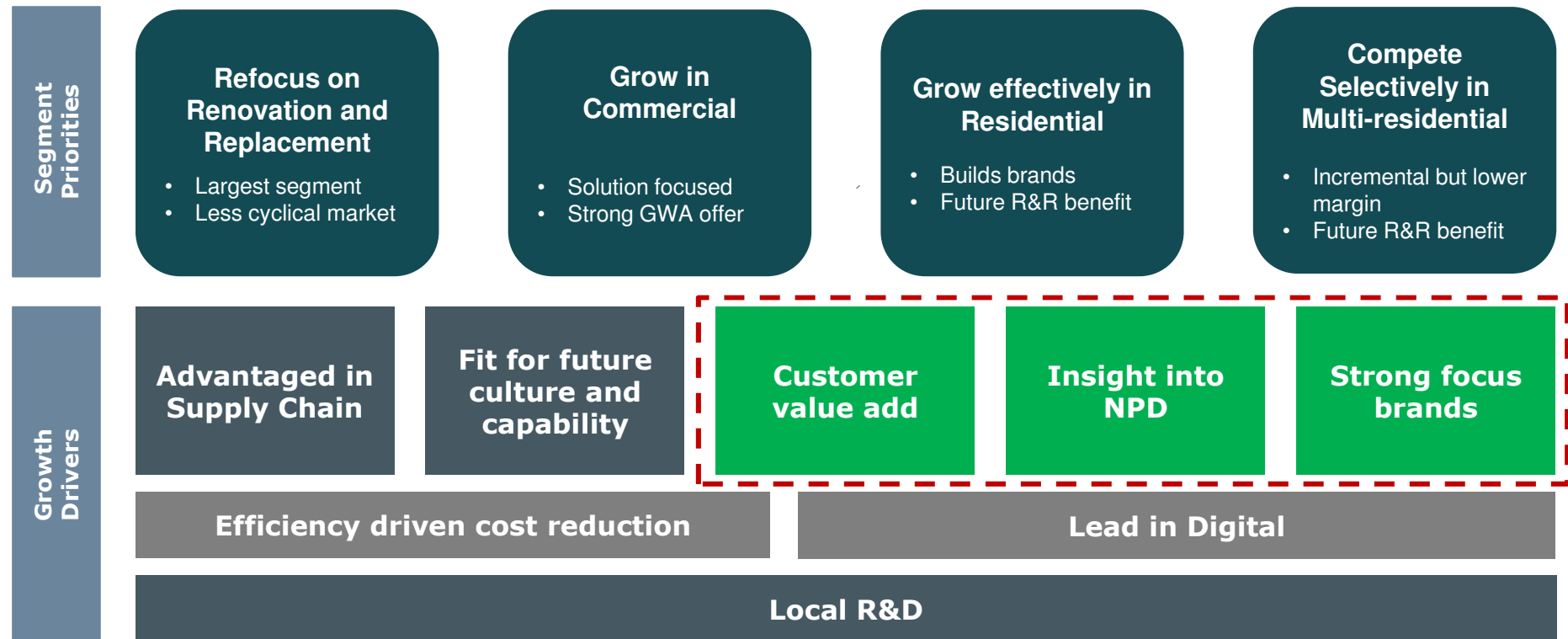
- The platform is a pre-selection tool developed by GWA Bathrooms and Kitchens to assist the Builders in the selection process with clients
 - Provides a platform for builders to create their own portal and database of products on offer to clients
 - Clients have the opportunity to shop their selections at home with a personalised login
 - The system is designed to educate and inspire clients to upgrade to products that may better suit their lifestyle through back-end tagging of behavioural patterns

How we will target this opportunity – strategic summary

Our Purpose
Making life better with simple, superior water solutions

Our Mission
To build GWA as the most trusted and respected company in the building sector

Our Operational Measures
Market share, NSV, EBIT, ROFE, NPS, Safety, Engagement



Strategic Overview

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Bathrooms & Kitchens

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Summary

Tim Salt



- Leading Australian designer, manufacturer and distributor of a comprehensive range of residential and commercial door hardware

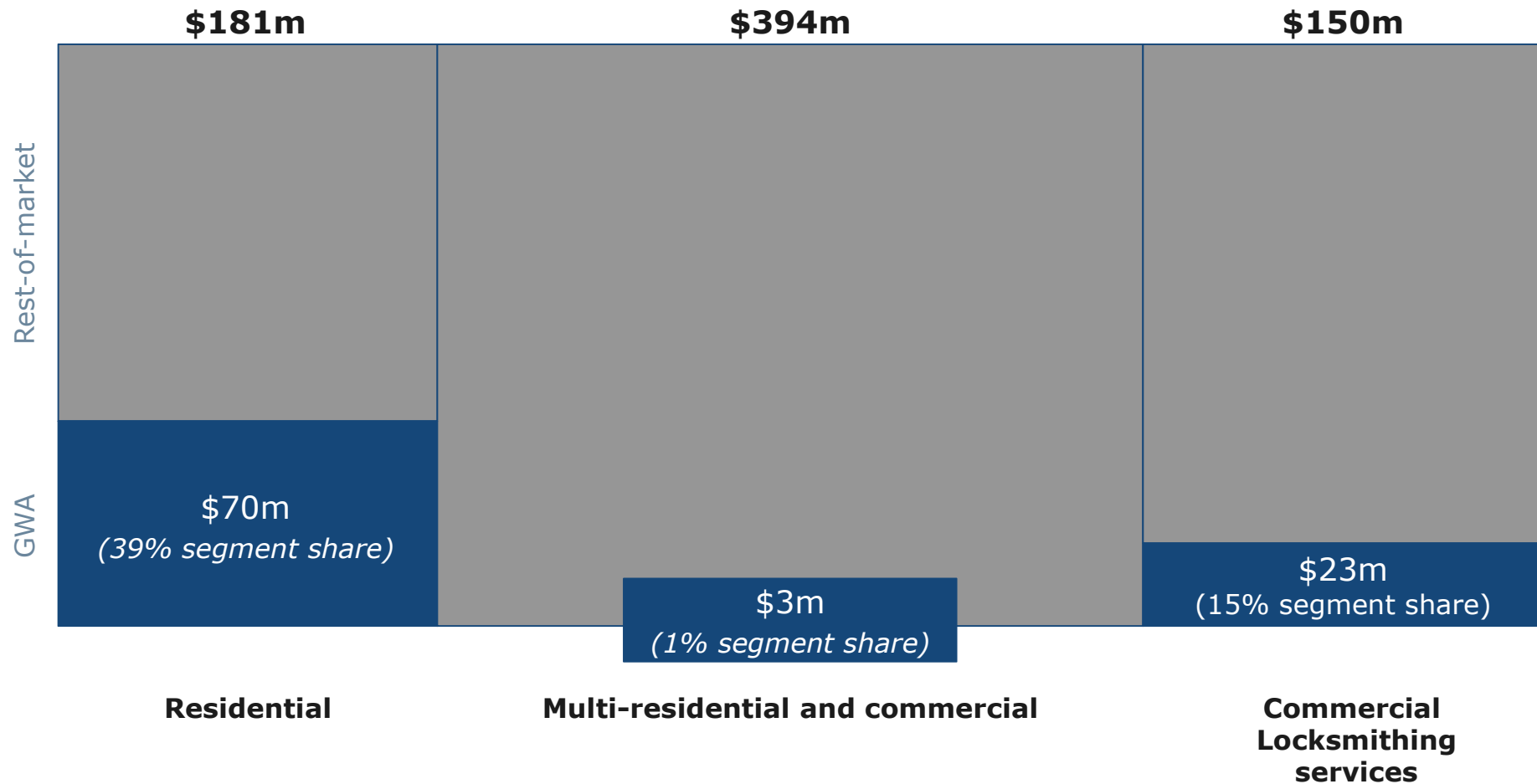


- National supplier of security and access control systems and locksmithing services to major commercial enterprises

Door & Access Systems ~\$725 million addressable market



Addressable market by segment (NSV – A\$m)



Source: GWA estimates . Residential includes R&R

Door & Access Systems strategy on a page

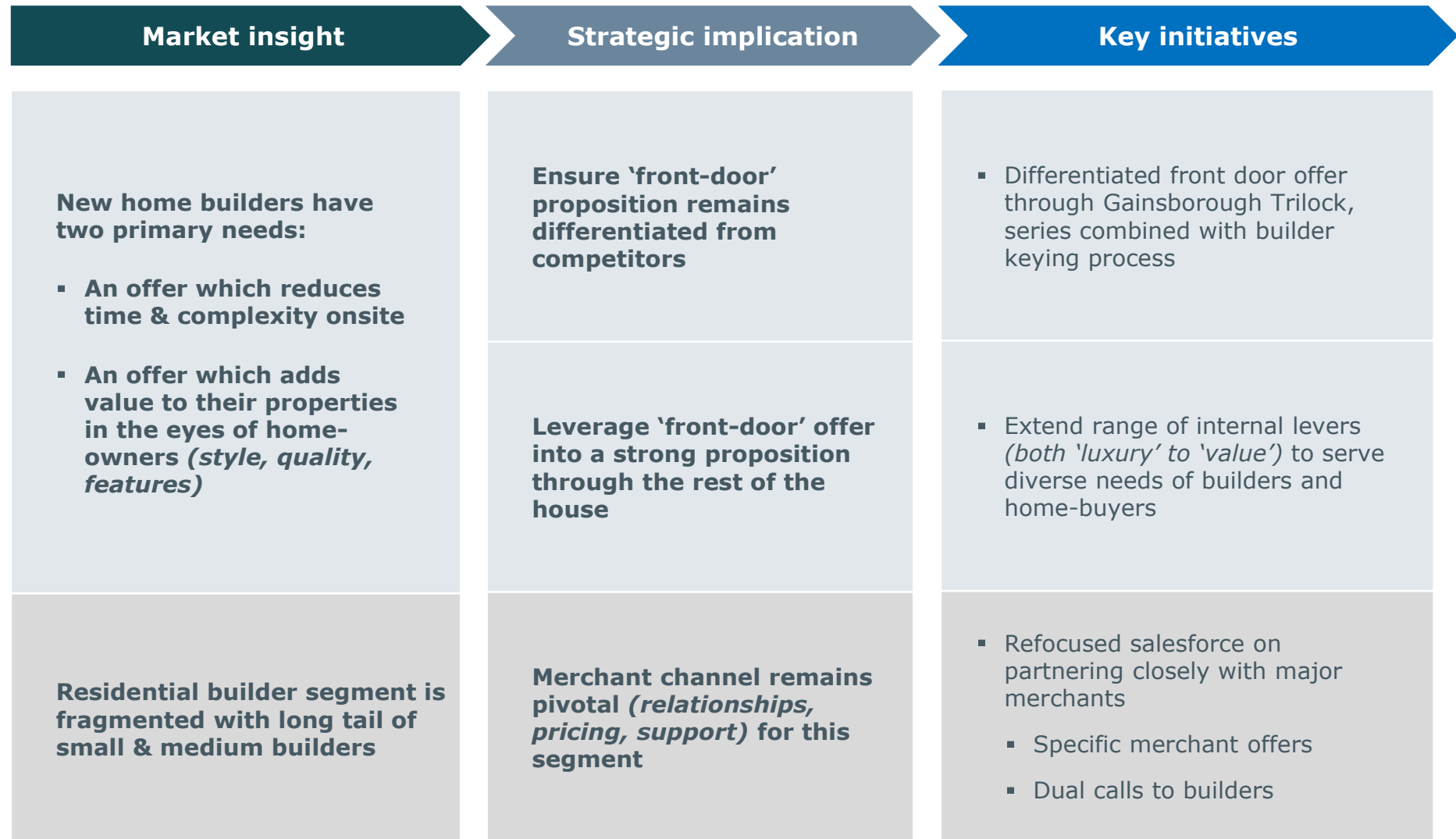
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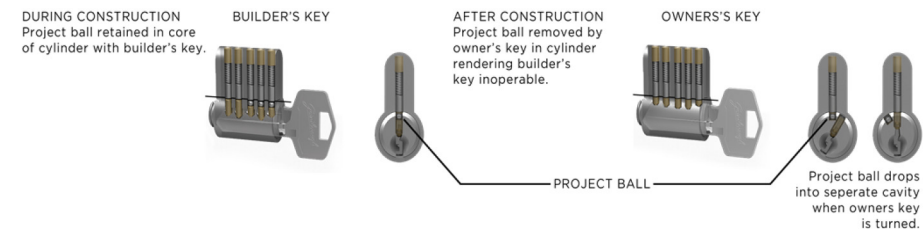
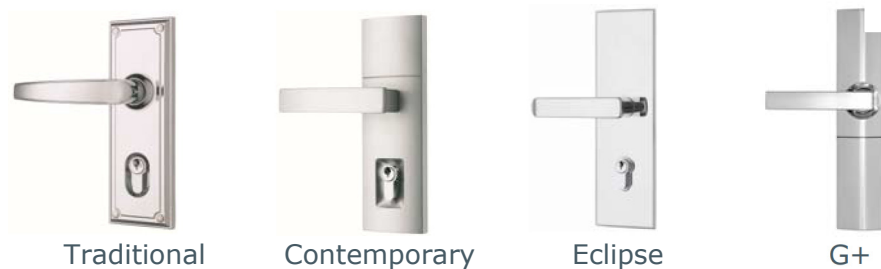
Segment Priorities	<p>Grow in Residential new build, and Renovation & Replacement</p> <ul style="list-style-type: none"> Gainsborough is market leader 	<p>Compete in Multi-residential and Commercial new build</p> <ul style="list-style-type: none"> A significant market opportunity for Gainsborough Architectural 	<p>Continue to grow in Commercial Locksmithing services</p> <ul style="list-style-type: none"> Strong existing business model, with significant scope to deliver additional value across rest of D&A
	<p>Strong proposition for residential builders & merchants</p>	<p>Market entry into multi-res & commercial – <i>target segments, focused sales and innovative fulfilment</i></p>	<p>Focus on high-potential sectors in commercial locksmithing</p>
	<p>Driving consumer demand – <i>styles, brands & digital marketing</i></p>		
Growth Drivers	<p>Growth through innovation – <i>'smart' access</i></p>		
	<p>Local R&D / cost efficient operations / winning people culture</p>		

Strong proposition for residential builders & merchants



TRILOCK™

BUILDER KEYING SYSTEM



- Australia's market leading residential entrance door lock – 1.1 million units sold
- 3-in-1 functionality delivers patent protected point of difference
- Continuous product evolution has delivered market leadership for over 20 years
- G+ electronic version ensures Gainsborough remains at the forefront of consumer demand
- Builder Keying system is available with all Gainsborough entrance solutions
- This provides unparalleled convenience throughout the construction process
- Unique GR9 keyway provides a 'One Key' solution for the entire home
- Combined with the market-leading Trilock, this solution delivers security, convenience and peace of mind to builders and home owners alike

Strength in residential builder market



"I would like to highlight the high level of customer service BGC Builders Supplies receives from GWA Door and Access Systems."

I have personally always found the staff not only to be extremely knowledgeable but also have a high focus towards customer service.

Coupled with constant product innovation, GWA Door and Access Systems continue to challenge the status quo"

John Creach
General Manager

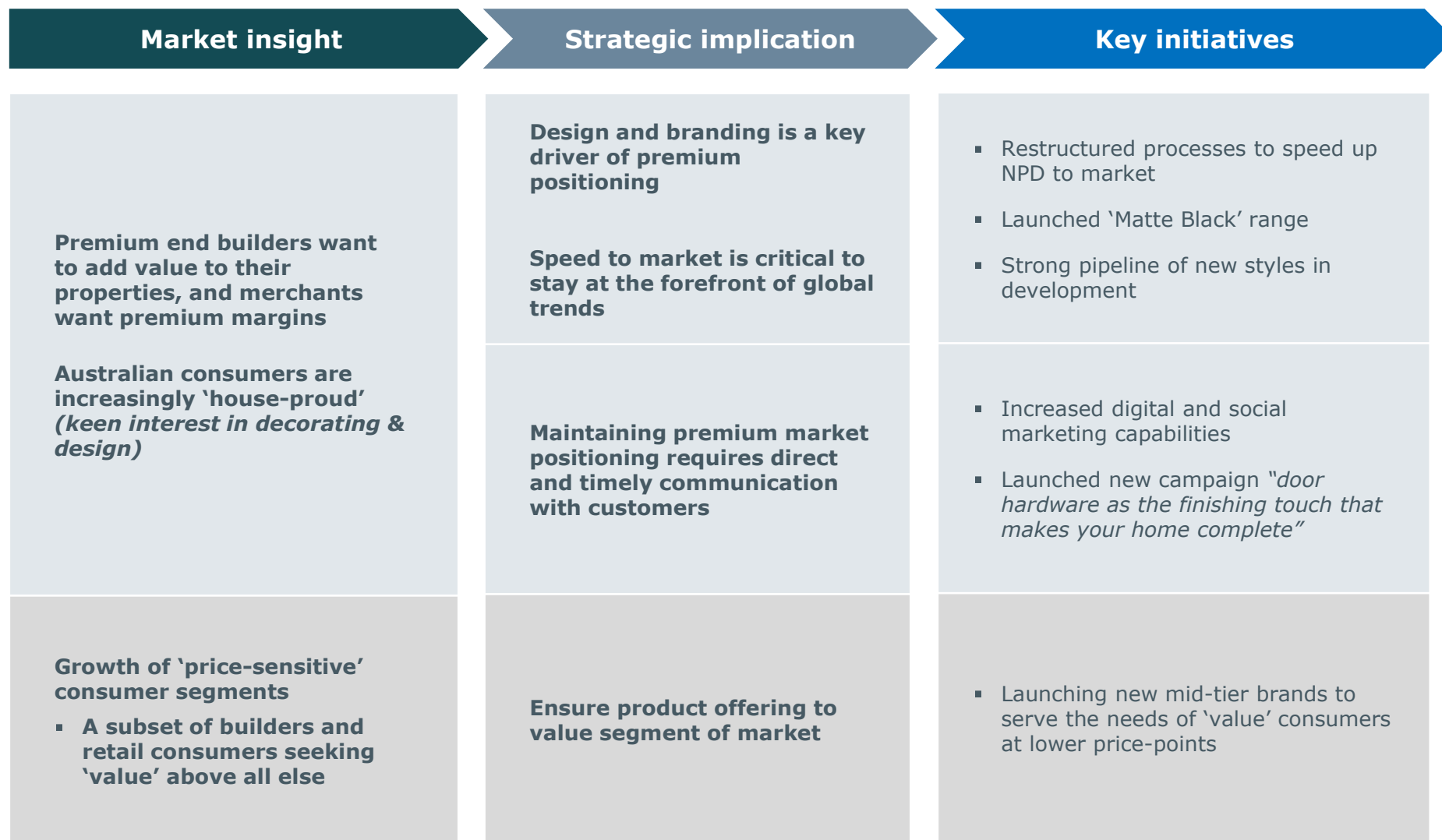


"Orbit Homes Australia Pty Ltd has had an extremely long relationship with Gainsborough due to the quality and range of the products. I hope the relationship continues for many years to come"

Craig McTaggart
Quality Control Manager

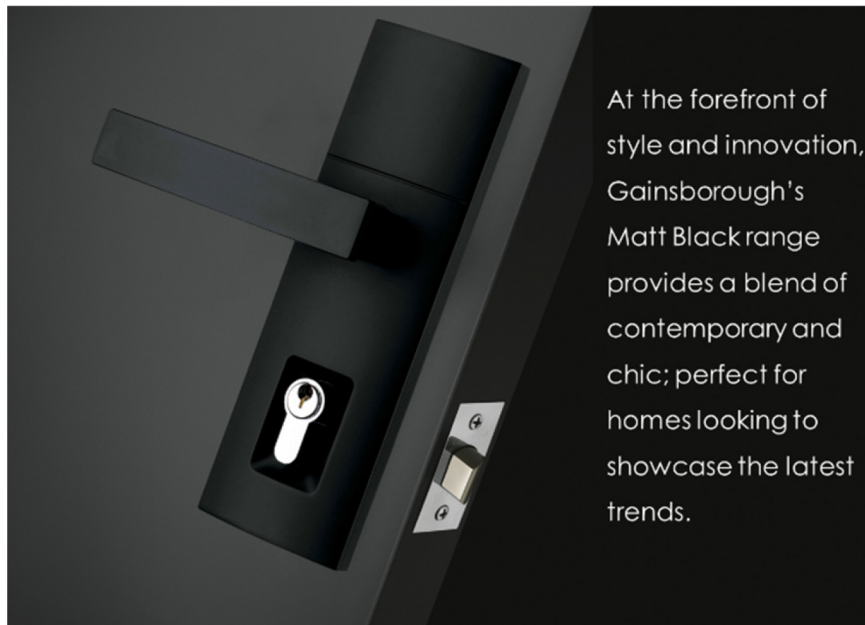


Driving consumer demand – styles, brands & digital marketing

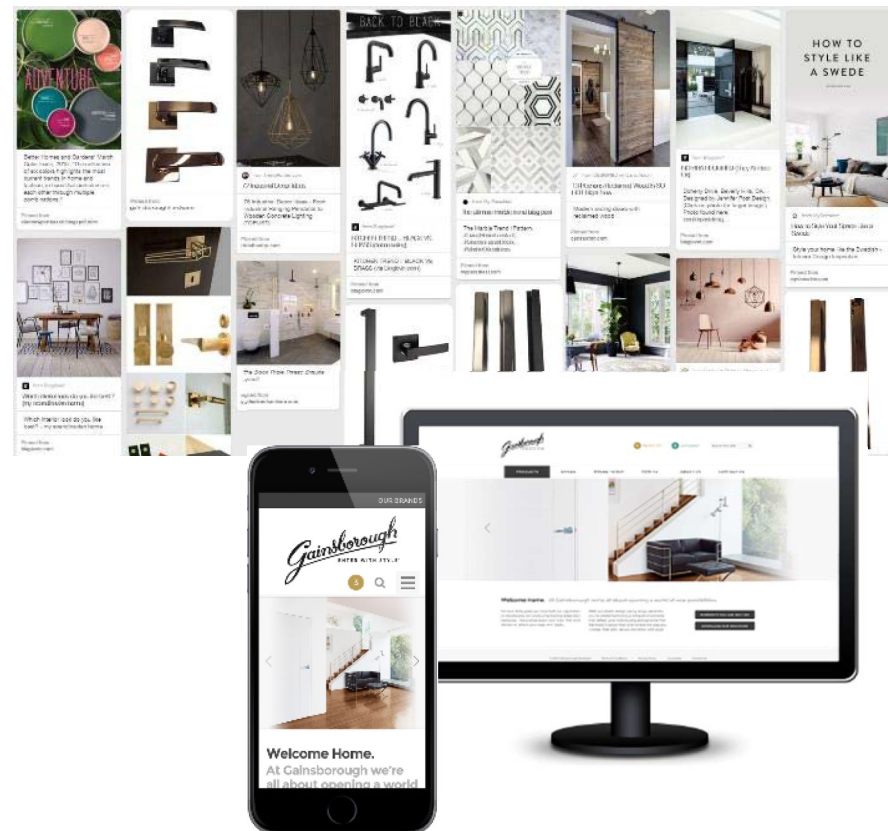


Driving consumer demand – styles, brands & digital marketing

Recent digital campaign "door hardware as the finishing touch that makes your home complete"



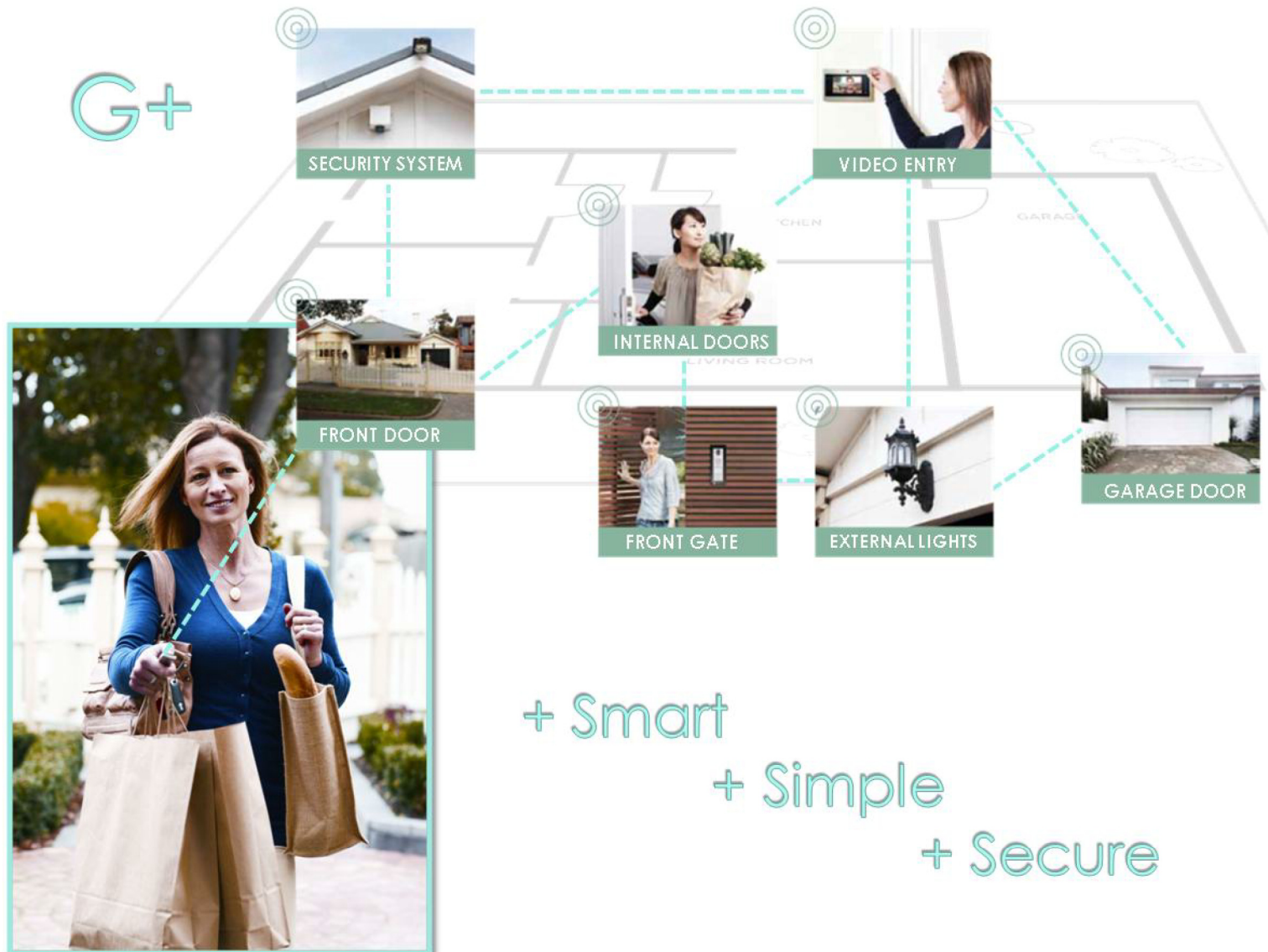
Matt Black range



Growth through innovation – ‘smart’ access

Market insight	Strategic implication	Key initiatives
<p>The market for electronic access is projected to grow ten-fold over the next 5 years</p> <ul style="list-style-type: none"> ▪ High-levels of consumer readiness ▪ Significant potential in ‘retrofit’ market as consumers motivated to upgrade 	<p>Leverage current offer and build future capability to extend into digital solutions</p>	<ul style="list-style-type: none"> ▪ Continued enhancements to G+, current ‘connected access’ solution for builders
	<p><u>PRODUCTS:</u> Develop products for early adopters and ‘retrofit’ market</p>	<ul style="list-style-type: none"> ▪ Launch range of Gainsborough-branded ‘retail’ smart access solutions
	<p><u>PARTNERSHIPS:</u> Timely partnerships with leading smart-home technology companies</p>	<ul style="list-style-type: none"> ▪ Commenced discussions with a number of major players in emerging ‘smarthome’ sector
	<p><u>SERVICES:</u> rollout of connected access will involve a significant ‘services’ component</p>	<ul style="list-style-type: none"> ▪ Leverage API national footprint, and workforce to access opportunity

G+ Access System - smart, affordable way to access your home

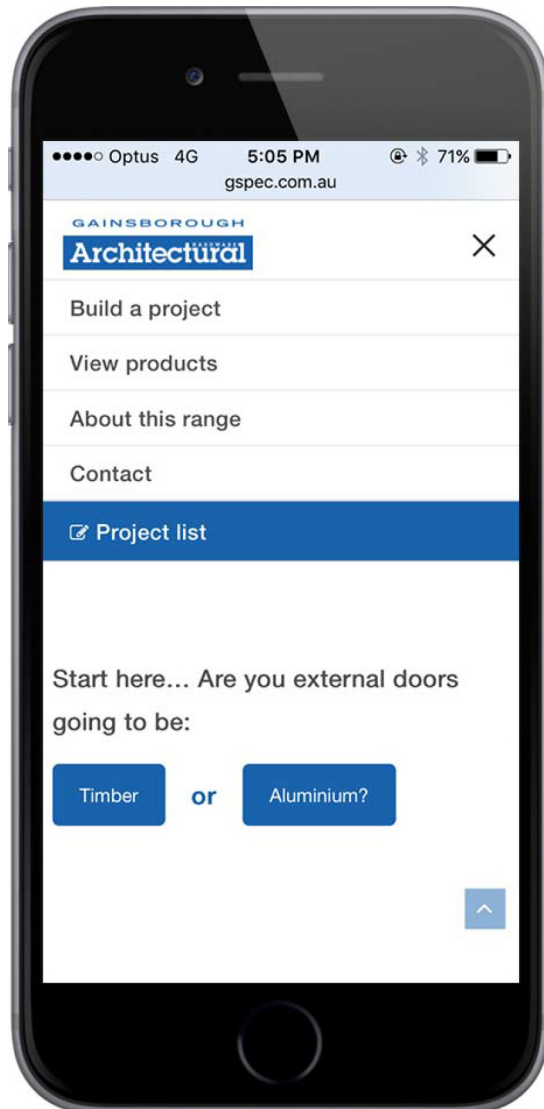


+ Smart
+ Simple
+ Secure

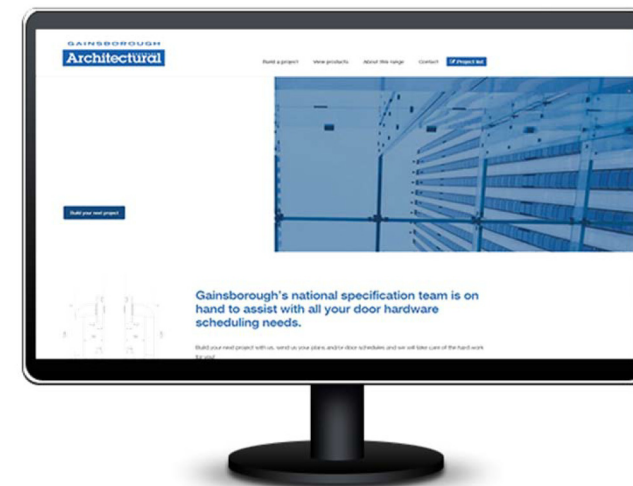
Market entry into multi-residential & commercial

Market insight	Strategic implication	Key initiatives
<p>The commercial and multi-res sectors have decoupled from growth in detached housing</p>	<p>A greater share of the commercial and multi-residential sectors represents significant opportunity to grow and diversify the D&A division</p>	<ul style="list-style-type: none"> ▪ Developing 'market entry' strategy into commercial and multi-res sectors
<p>Lack of innovation in sector has left many projects (<i>smaller and simpler projects</i>) poorly served by overly complex solutions and processes</p>	<p><i>PRODUCT:</i> Focus on Projects which are best-fit for D&A proposition</p>	<ul style="list-style-type: none"> ▪ Enhanced product range with proposition into target sectors
	<p><i>SALES:</i> opportunity to build end-to-end relationships, and leverage connections with B&K and API</p>	<ul style="list-style-type: none"> ▪ Established focused, centralised sales team ▪ New door selector app helps architects with specification process
	<p><i>FULFILMENT:</i> innovate and partner to create new solutions tailored to the needs of 'target' projects</p>	<ul style="list-style-type: none"> ▪ Built direct sales channel (supply & install), and formed alternative fulfilment partnerships with established commercial players

New door selector website for architects



- Designed to make commercial door hardware selection easy for architects
- Guide through your project and select your door
- With options to upload plans and request the preparation of a complete door hardware schedule and/or quotation
- The digital tool is focused on Multi-residential projects – has been well received by architects and merchants



Focus on high-potential sectors in commercial locksmithing

Market insight

Strategic implication

Key initiatives

Initial installation of commercial access systems is decoupled from ongoing maintenance, service and support

Opportunity to embed API systems in buildings which require ongoing maintenance and service

- Engaging developers, facility managers and owners / occupiers to lock in service contracts

Increasing perception of terrorist threats has increased demand for upgraded security systems in education, government & infrastructure

Opportunity to leverage API's national security clearance with speed of offer and expertise

- Commenced dialogue with government departments, independent school boards and infrastructure owners re API capability

Digital access and connected home growth will drive demand for new service providers to partner with large system players

With a national footprint, and a skilled workforce, API is well-placed to serve this need

- Ongoing discussions with a number of major players in the emerging 'smart-home' sector



- Schools realise the importance of prevention over response
- API supplied and installed the wireless system and provides ongoing backup support
- Cost effective solution as eliminates perpetual cost of re-keying
- Real-time communication whether doors are locked or unlocked
- Control over who can enter the building and when, e.g. lockdown

Door & Access Systems strategy on a page

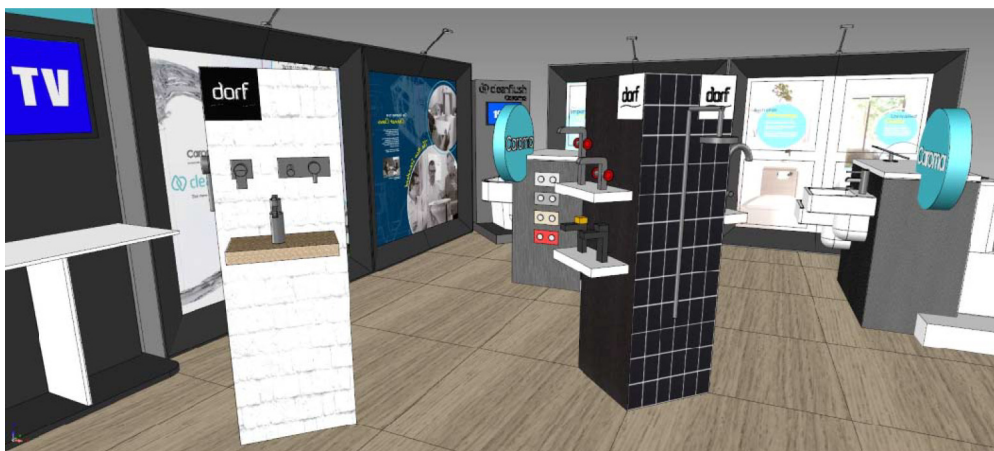
Our Purpose
Making life better with a superior range of access and security systems

Our Mission
To build GWA as the most trusted and respected company in the building sector

Our Operational Measures
Market share, NSV, EBIT, ROFE, NPS, Safety, Engagement

Segment Priorities	<p>Grow in Residential new build, and Renovation & Replacement</p> <ul style="list-style-type: none"> Gainsborough is market leader 	<p>Compete in Multi-residential and Commercial new build</p> <ul style="list-style-type: none"> A significant market opportunity for Gainsborough Architectural 	<p>Continue to grow in Commercial Locksmithing services</p> <ul style="list-style-type: none"> Strong existing business model, with significant scope to deliver additional value across rest of D&A
	Growth Drivers	<p>Strong proposition for residential builders & merchants</p>	<p>Market entry into multi-res & commercial – <i>target segments, focused sales and innovative fulfilment</i></p>
<p>Driving consumer demand – <i>styles, brands & digital marketing</i></p>			
<p>Growth through innovation – <i>'smart' access</i></p>			
<p>Local R&D / cost efficient operations / winning people culture</p>			

Break/Product Displays



Strategic Overview

Tim Salt

Bathrooms & Kitchens

Tim Salt

Door & Access Systems

Sean Ralphsmith

Supply Chain

Sean Mitchell

Financial Summary

Patrick Gibson

Summary

Tim Salt

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with simple, superior water solutions

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with a superior range of access and security systems

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**Corporate
Priorities**

**Drive cost out in
SG&A and Supply
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profitability and
allow selective
reinvestment**

**Build an
advantaged
Supply Chain to
deliver superior
NPD, Quality and
Service at best
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Build "fit for future"
culture,
engagement and
capability

Add value to
customers through
improved insights,
analytics and
processes

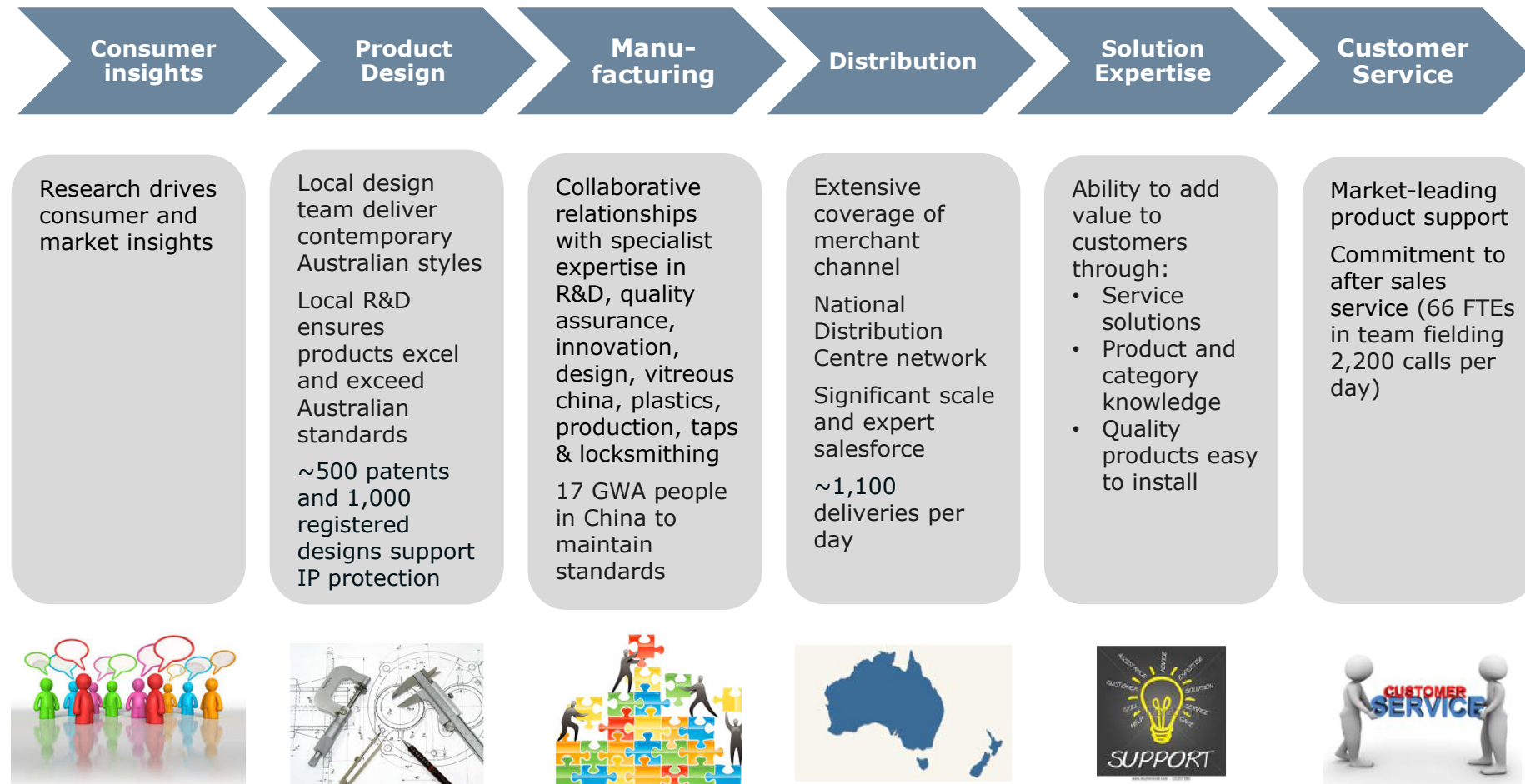
Leverage and build
on core assets &
brands to drive
revenue and
market share
growth

Maximise Shareholder Value Creation

Key Financial Measures – NPAT Growth, TSR, ROFE

Our operating model meets local needs with global scale

Value Creating Operating Model

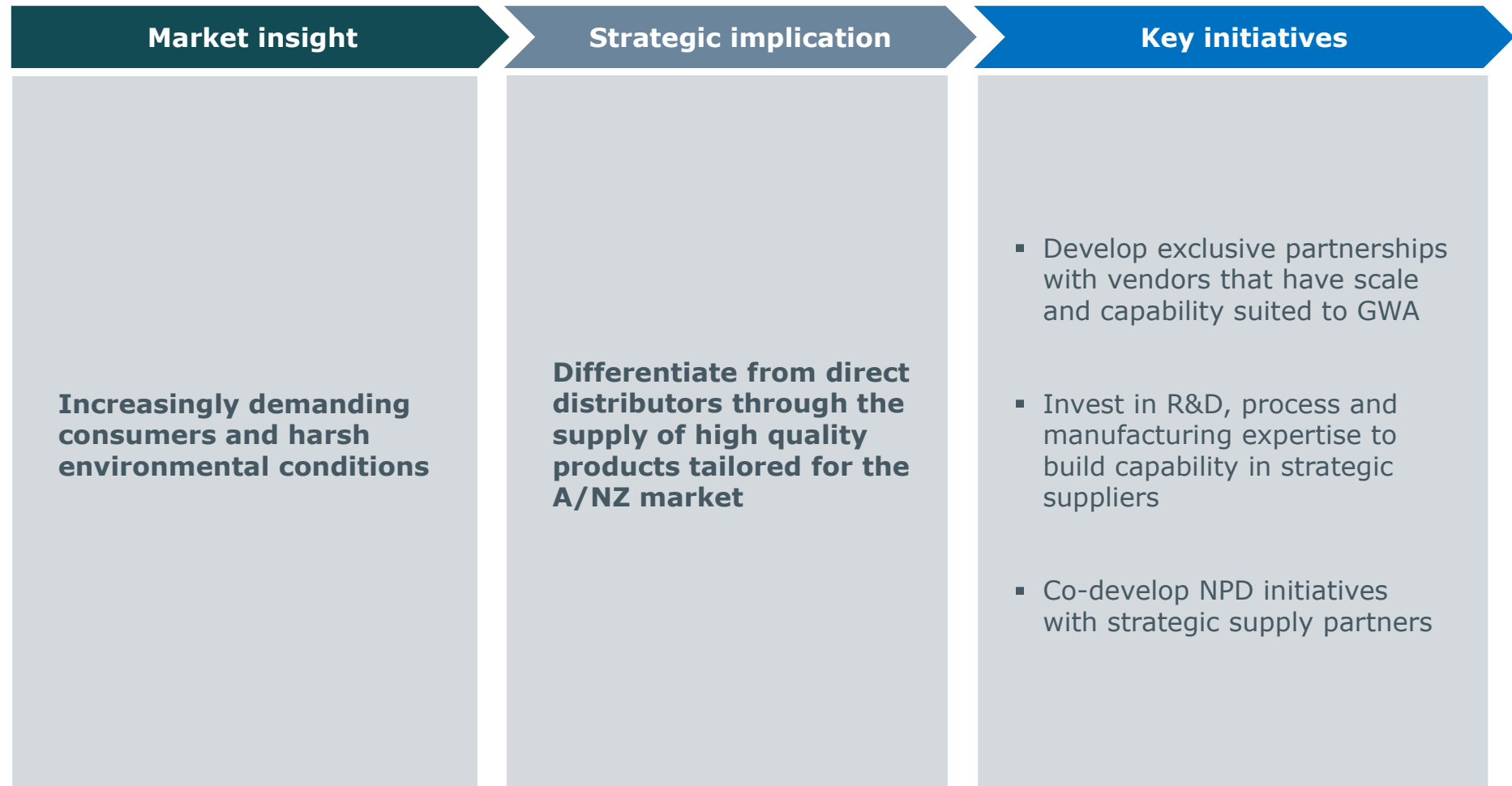


Driving exclusive relationships with leading supply partners

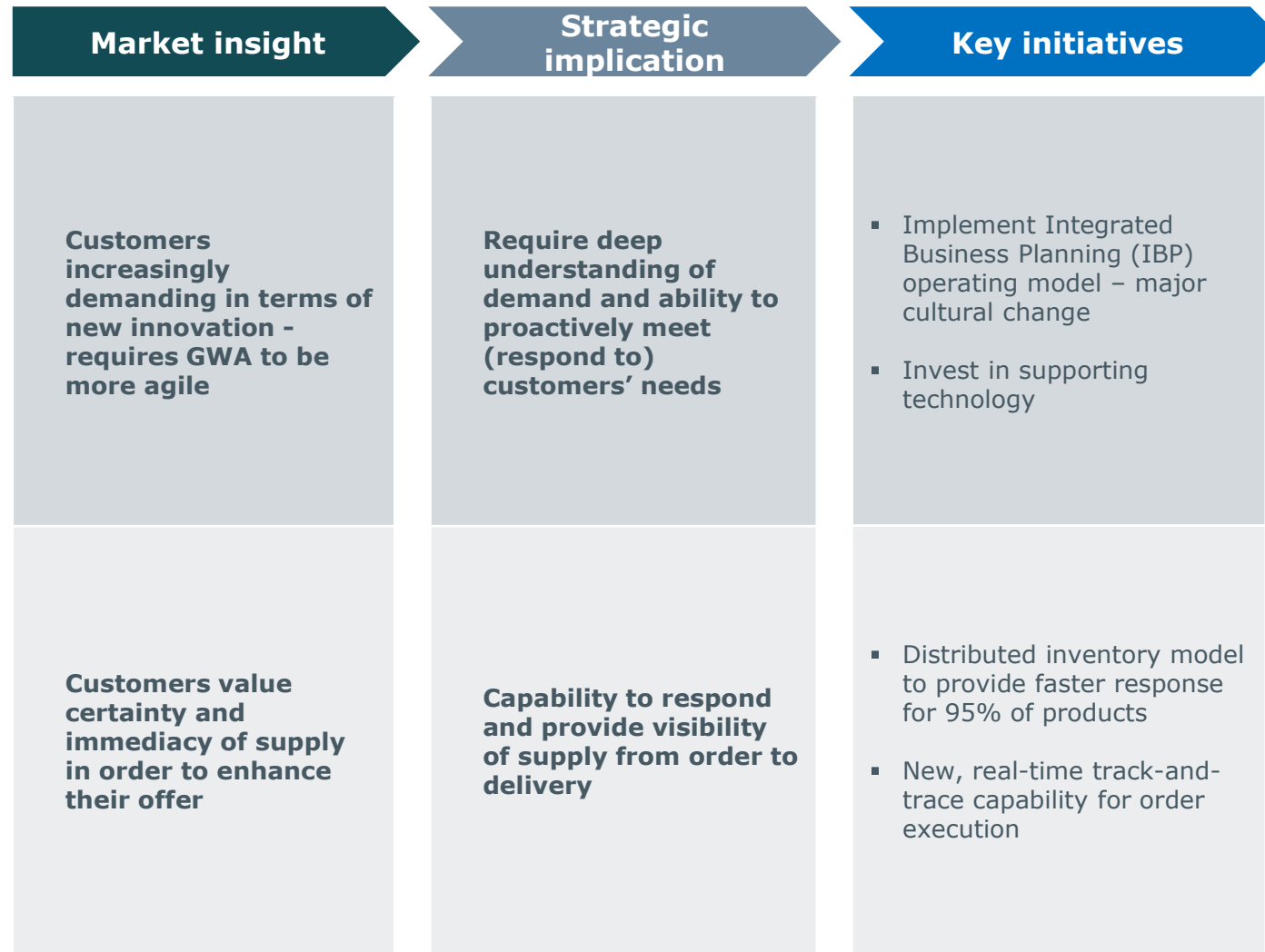


- Asian and European **exclusive** partners (90:10)
- Key strategic drivers shape partner selection:
 - Quality
 - Service
 - Cost
 - Innovation/NPD
 - Protect and leverage GWA IP (patents)
- Longstanding relationships

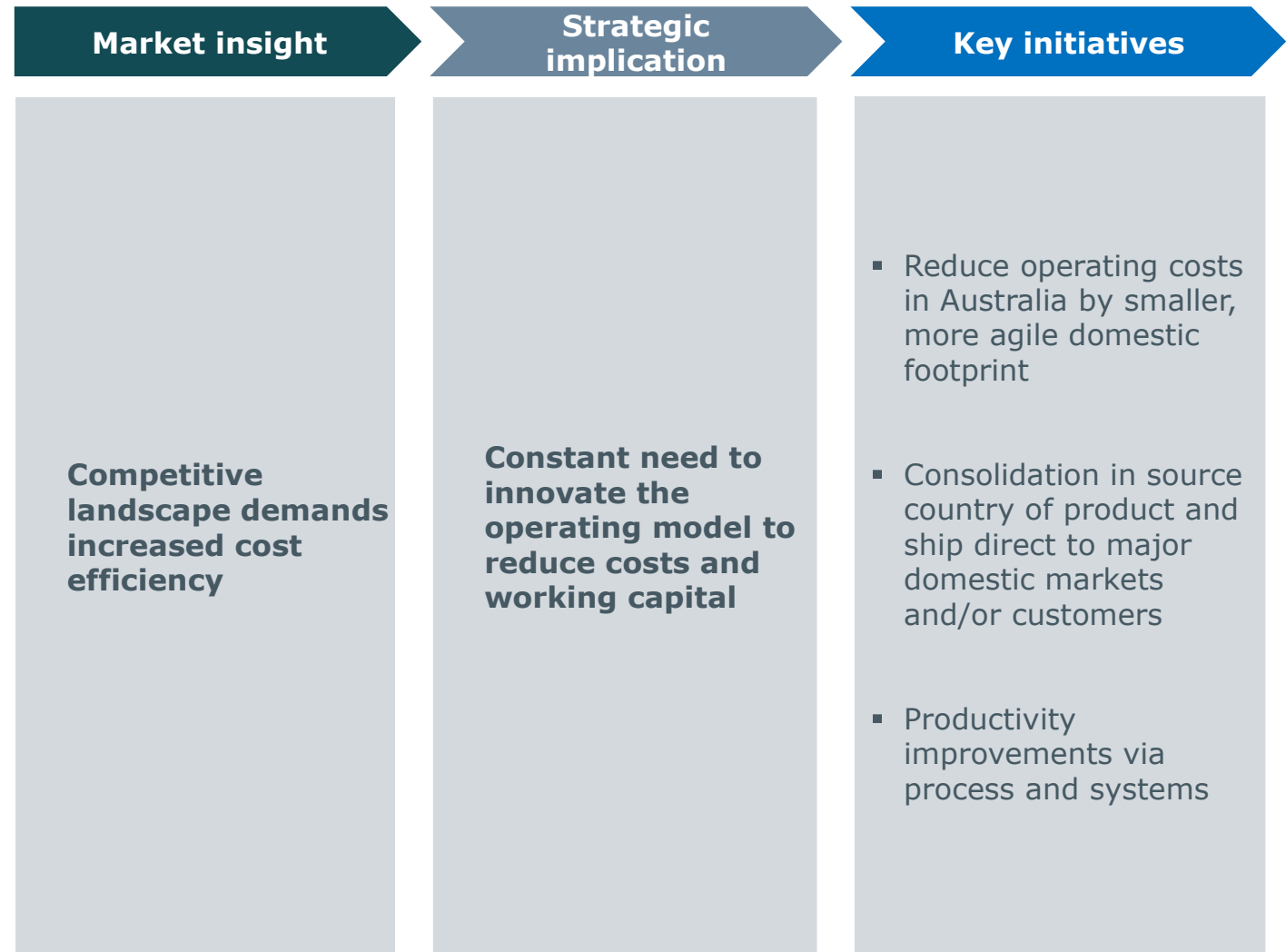
Leverage global expertise for local conditions



Differentiated service offer for customers



Targeting further cost efficiencies



Leverage partnerships for best in class product innovation

Market insight

Maintain market leading position through new innovation

Strategic implication

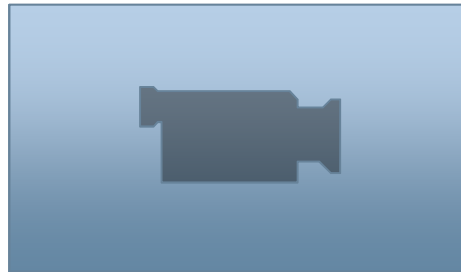
Understanding of international trends and developing solutions for local consumers

Key initiatives

- Research global trends and applicability to local consumers
- Patent locally developed market-leading solutions
- Protect IP through working with exclusive strategic partners



Our design minds



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Shareholder value creation

Revenue Growth

- Market share initiatives in core categories – taps, sanitaryware to leverage strong brand portfolio
- Superior customer insights and best in class product innovation
- Re-invest cost savings in organic growth opportunities

Operational Efficiency

- Drive operational efficiency through Project One restructure
- Leverage supply chain scale and process simplification to reduce cost base
- Systems and back office efficiency to reduce complexity

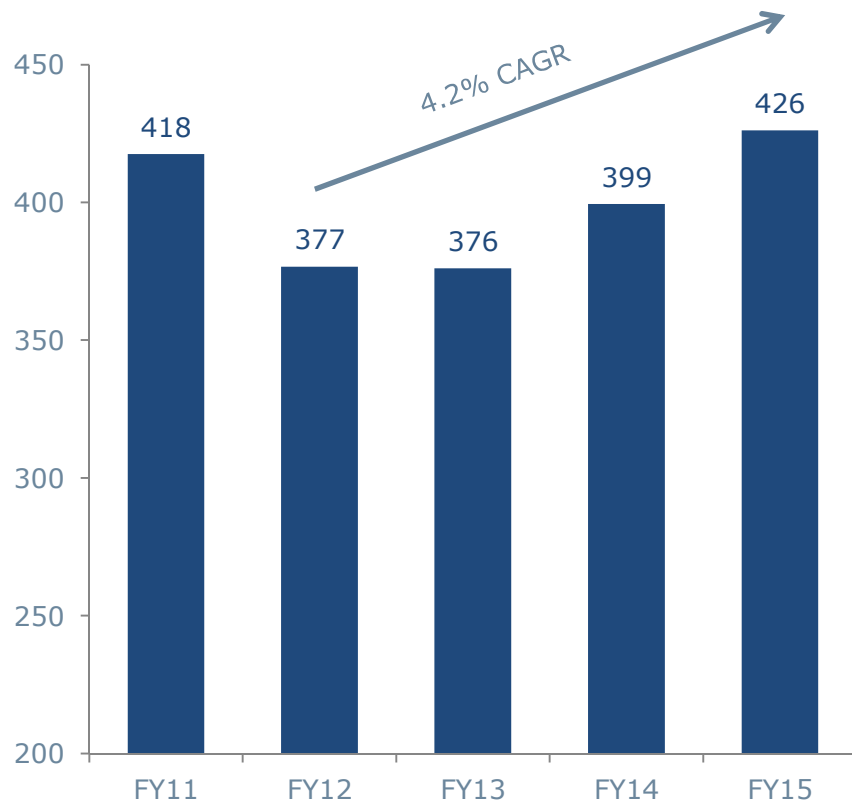
Capital Management

- Capital expenditure aligned to growth strategies
- Ability to manage 'through the cycle' to deliver returns
- Integrated Business Planning to improve working capital efficiency
- Board focus on capital management initiatives – dividend policy 65-85% of NPAT

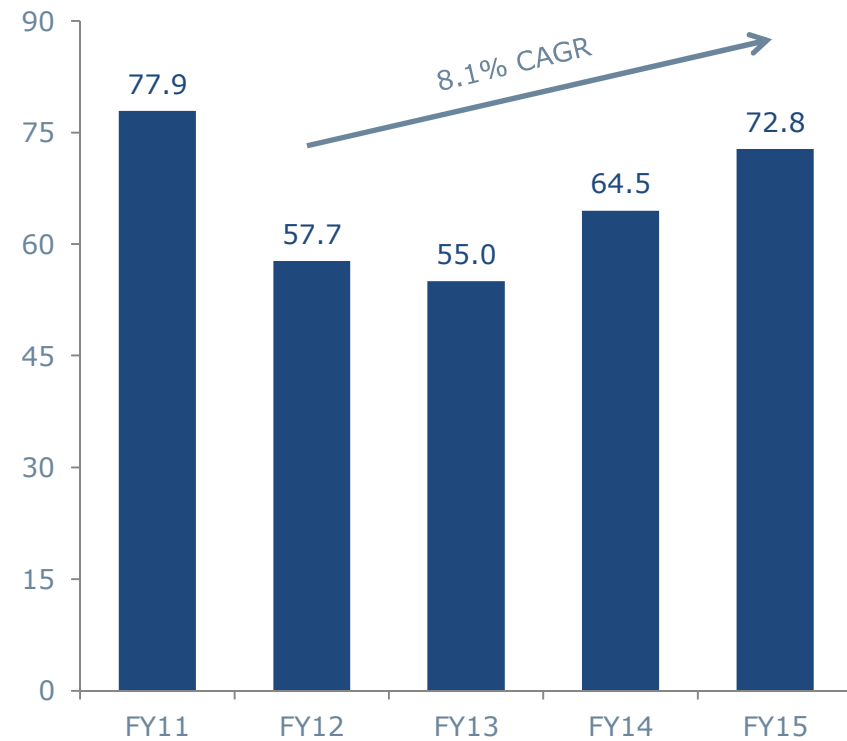
Create value for shareholders

Continuing Operations building momentum

Revenue growth (A\$m)



Earnings Growth (A\$m)



Source: GWA. Continuing Operations excluding Brivis Climate Systems, Dux Hot Water and Gliderol Garage Doors divested in FY15/FY16.

Operational and supply chain efficiency

Cost savings target

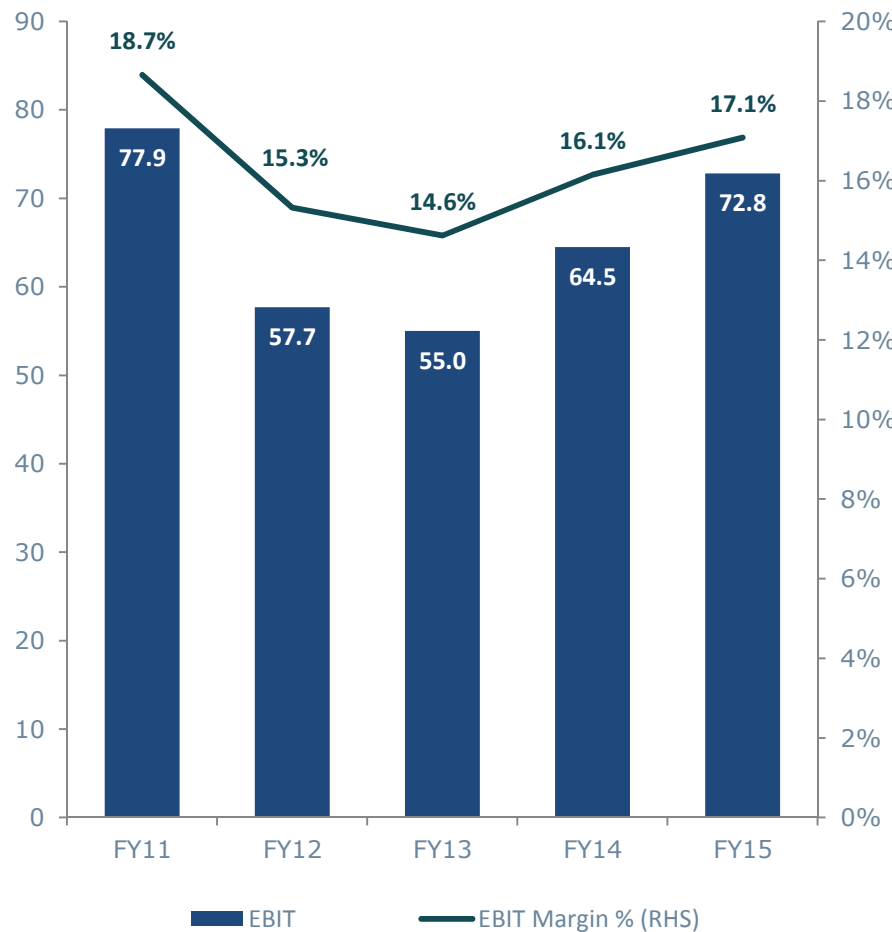
Focus area	FY16-FY19
Operational efficiency	\$5m
Supply chain efficiencies	\$8-10m
Total	\$13-15m

- Cost savings of \$15m identified through SG&A and supply chain improvements
- **Project One** – realigns cost base through back office and execution efficiency
- **Supply Chain** – targeting supply chain efficiencies with strategic partners – sourcing, NPD etc.
- Cost savings:
 - **Re-invested** to fund growth initiatives
 - Provide **margin resilience** through the cycle
 - Offset inflation

Source: GWA estimates

Margin resilience through the cycle

EBIT (A\$m) and margin (%)

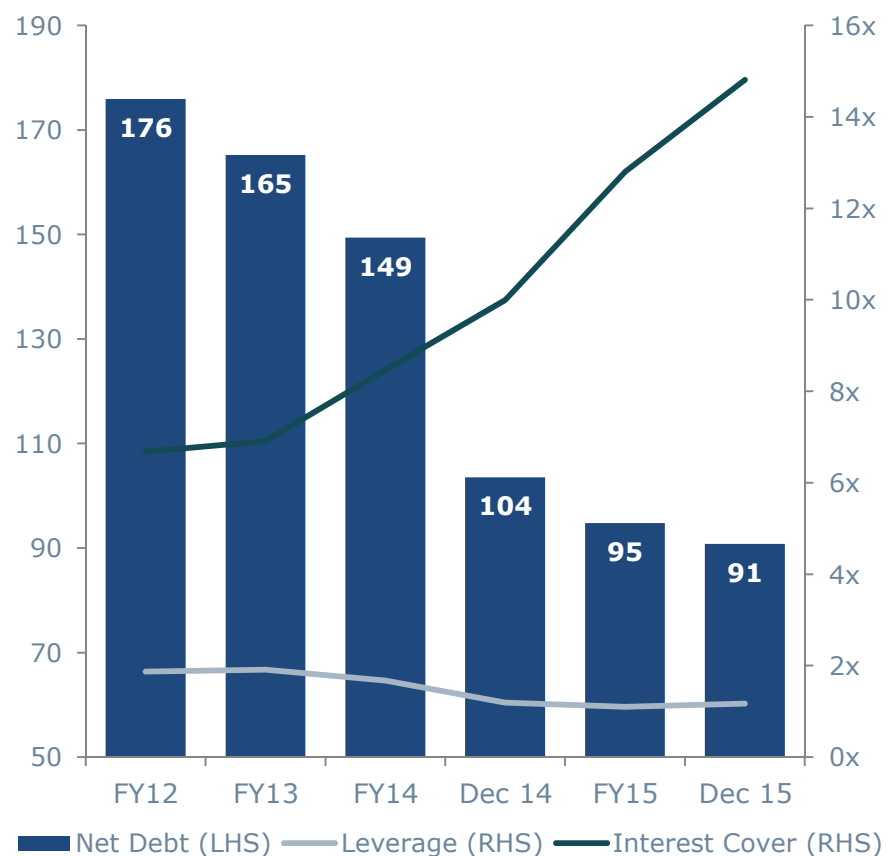


- GWA focused on maintaining margin resilience through the cycle:
- ~50% exposure to Renovations and Replacement market - less cyclical than new build market
- Market share initiatives to grow presence in key end markets
- Reduced cost base through Project One and Supply Chain initiatives
- Lower fixed vs variable cost base from exit of manufacturing
- Low capex requirements and strong balance sheet enables continued strong cashflow generation through the cycle

Source: GWA. Continuing Operations excluding Brivis Climate Systems, Dux Hot Water and Gliderol Garage Doors divested in FY15/FY16.

Strong financial position to fund growth initiatives

Continued low debt (A\$m)



Source: GWA.

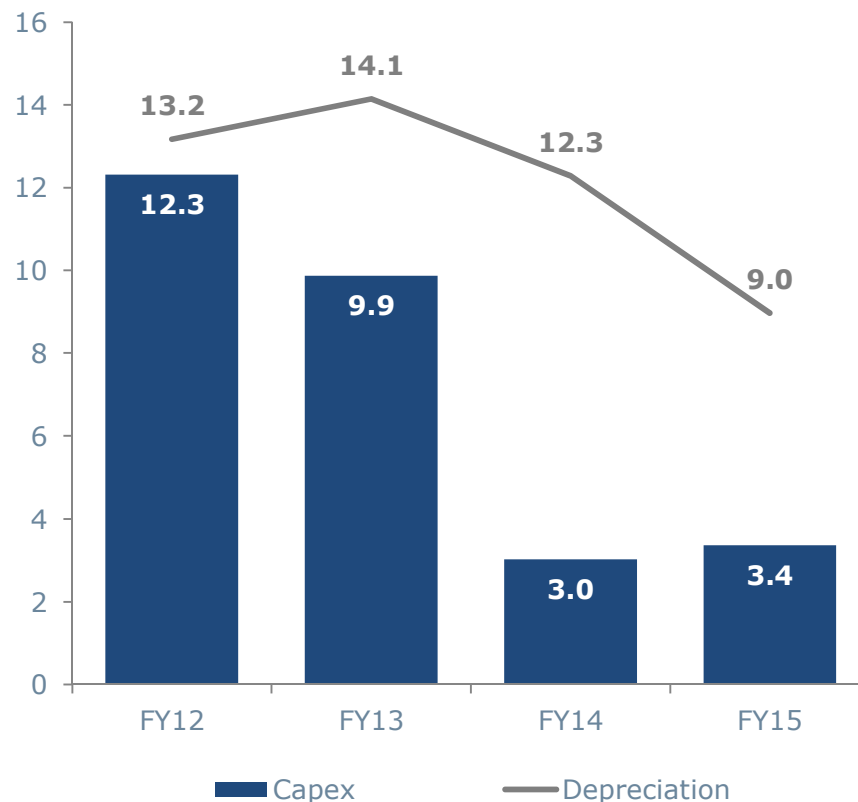
Strong credit metrics

Metric	30 June 2014	31 Dec 2014	30 June 2015	31 Dec 2015
Net Debt	149.4	103.5	94.8	90.8
Leverage Ratio				
<i>Net Debt / EBITDA</i>	1.7	1.2	1.1	1.2
Interest Cover				
<i>EBITDA / Net Interest</i>	8.5	10.0	12.8	14.8
Gearing				
<i>Net Debt / (Net Debt + Equity)</i>	26%	21%	24%	22%

- Credit metrics continue to be consistent with investment grade
- Syndicated banking facility extended in October 2015 – single 3-year revolving facility maturing October 2018 which provides enhanced financial flexibility to invest in core businesses
- GWA remains in strong financial position – supporting capital management initiatives

Strong focus on capital management

Disciplined capital expenditure



Source: GWA.

Strong credit metrics

- Resumption of ordinary dividends with FY16 interim dividend
- Board expects to pay ordinary dividends in range of 65-85% of NPAT, subject to prevailing trading and market conditions
- Dividend policy balances shareholder value creation with continuing strong financial position
- Share buy-back implemented from 1 December 2015 – up to \$30 million – EPS accretive
- Board continues to assess all capital management initiatives

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Build "fit for future" culture, engagement and capability

Add value to customers through improved insights, analytics and processes

Leverage and build on core assets & brands to drive revenue and market share growth

Maximise Shareholder Value Creation

Key Financial Measures – NPAT Growth, TSR, ROFE

Key themes for today

#1 Significantly re-positioned over the last two years – effectively a new business

#2 Strong ability to manage through the cycle

#3 Significant opportunities for organic growth

#4 Focus on maximising value for shareholders

Investor Market Briefing Strategy Presentation

21 April 2016

