



GUD Holdings Limited

Results year ended

30 June 2006

Presentation by Ian Campbell
Managing Director
GUD Holdings Limited

- ◆ Sales revenue up 17% to \$462.4 million
- ◆ Trading EBIT up 6% to \$63.6 million
- ◆ Reported Net Profit after Tax up 32% to \$40.2 million
- ◆ Despite tough trading conditions EBIT increases were recorded in:
 - Consumer Products - up 6% to \$30.4 million
 - Automotive Products – up 1% to \$17.9 million
 - Water Products – up 25% to \$13.9 million
- ◆ Offshore sourcing, new products and acquisitions are key profit drivers
- ◆ CVA at 15.7% still well above 10% cost of capital
- ◆ ROCE remains above 20%
- ◆ Earnings per share of 67.1 cents
- ◆ Annual dividend increased 20% to 60 cents per share fully franked

Financial overview



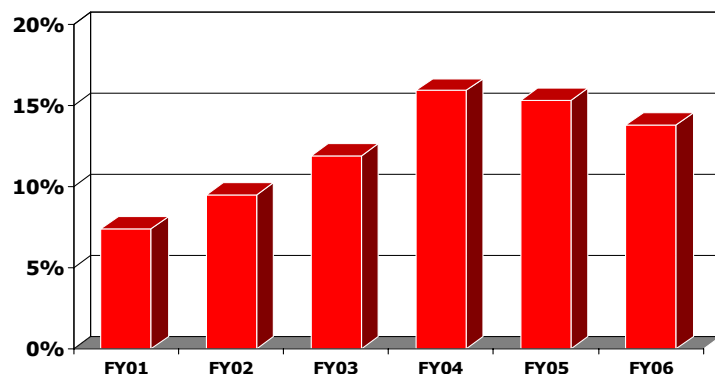
\$million	FY01	FY02	FY03	FY04	FY05			FY06		
					H1	H2	FY05	H1	H2	FY06
Working Capital	84.1	63.4	57.1	66.1	94.3	77.0	77.0	109.8	83.6	83.6
PP&E	58.6	40.9	37.5	36.8	27.7	27.2	27.2	36.0	29.9	29.9
Capital Employed	204.9	160.2	147.9	160.3	188.0	171.9	171.9	225.9	195.8	195.8
Sales	341.2	365.9	372.4	393.8	210.7	183.8	394.4	241.1	221.3	462.4
EBITDA	35.6	45.4	54.3	74.4	34.7	33.8	68.4	38.1	37.2	75.2
Depreciation	9.0	7.6	6.7	7.4	2.8	2.8	5.6	3.7	3.3	7.0
EBITA	26.6	37.8	47.5	67.1	31.9	31.0	62.8	34.4	33.8	68.2
Amortisation	1.4	2.9	3.3	4.5	1.1	1.5	2.6	2.0	2.6	4.6
EBIT	25.1	34.9	44.3	62.6	30.8	29.5	60.2	32.4	31.2	63.6
Interest	6.5	5.3	3.7	2.4	1.7	2.2	3.9	3.3	3.4	6.7
Profit before Tax	18.6	29.6	40.6	60.2	29.1	27.3	56.4	29.1	27.8	56.9
Tax	7.0	8.8	13.2	18.4	9.2	8.0	17.1	8.9	7.8	16.7
NOPAT	11.6	20.8	27.4	41.7	19.9	19.3	39.2	20.2	20.0	40.2
ISI After Tax	(1.0)	(14.4)	(5.6)	(6.2)	(8.8)	0.0	(8.8)	0.0	0.0	0.0
Reported Profit	10.7	6.4	21.8	35.5	11.1	19.3	30.4	20.2	20.0	40.2
EPS* - cents	17.9	33.7	45.3	68.6	32.9	32.3	65.5	33.7	33.4	67.1

*Note: Excluding individually significant items

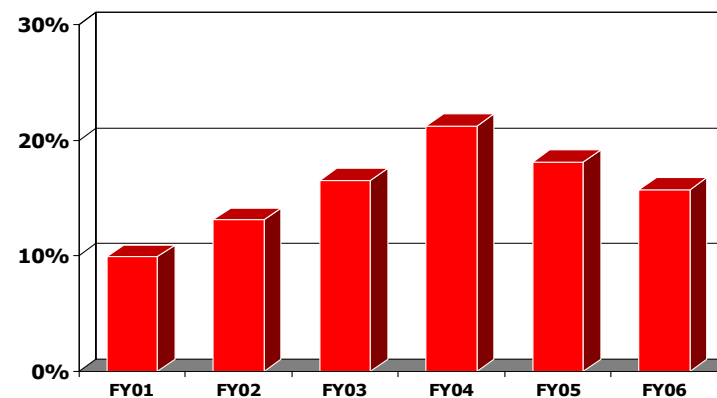
- ◆ Higher Capital Employed reflects acquisitions
- ◆ Amortisation increased due to higher product development costs
- ◆ Unlike prior years there were no significant items

Profitability ratios

EBIT/Sales



CVA Return



- ◆ EBIT/Sales margin declined to 13.8% from 15.3%
- ◆ Raw material cost increases and higher freight costs impacted margins in all businesses
- ◆ Discretionary spending under pressure
- ◆ Business model proving resilient in tough trading environment
- ◆ Margin pressure offset by offshore sourcing, bolt-on acquisitions and new products

Cash generation

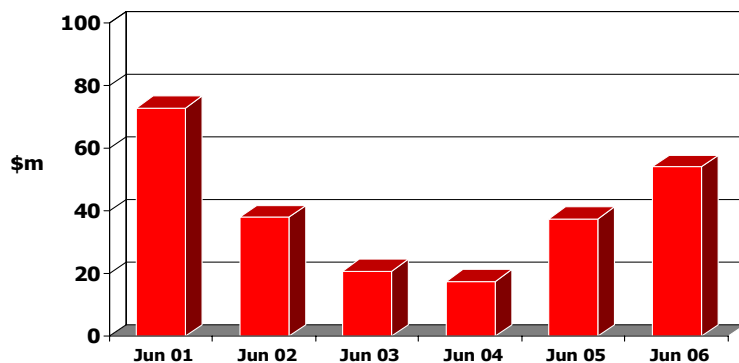


\$m	FY01	FY02	FY03	FY04	FY05	FY06
EBIT	25.1	34.9	44.3	62.6	60.2	63.6
Depreciation & Amortisation	11.0	10.5	10.0	11.9	8.2	11.6
Tax Paid	(3.4)	(3.4)	(9.0)	(11.3)	(17.5)	(17.3)
Effective Tax on Net Interest	(2.2)	(1.6)	(1.1)	(0.7)	(1.2)	(2.0)
Change in Working Capital	(18.0)	13.9	5.9	(8.1)	(5.4)	(5.9)
Gross Operating Cash Flow	12.6	54.4	50.0	54.4	44.5	50.0
Net Capital Expenditure	(3.8)	1.1	(5.7)	(10.8)	(10.5)	(5.1)
Net Investments	(1.0)	12.5	(1.7)	(9.5)	(9.7)	(35.5)
Gross Investments	(4.8)	13.6	(7.4)	(20.3)	(20.2)	(40.6)
Free Cash Flow	7.8	67.9	42.6	34.1	24.2	9.5

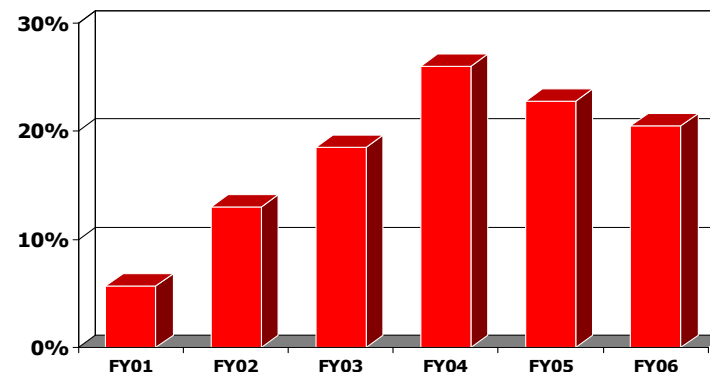
- ◆ Gross Operating Cash Flow strong at \$50 million
- ◆ Free Cash Flow of \$9.5 million after acquisition
- ◆ Capital Expenditure lower following restructuring

Balance sheet

Net Debt



Return on Capital Employed



- ◆ Balance sheet remains strong:
 - Interest Cover 10.2 times
 - Net Debt/Total Capital 27.7%
 - Net Debt/Equity 38.2%
 - Net Debt/Market Capitalisation 11.4%

- ◆ Scope for further growth via acquisition
 - Purchased Monarch Pool Systems in July for around \$32 million

- ◆ ROCE remains above 20%

Dividends and capital management

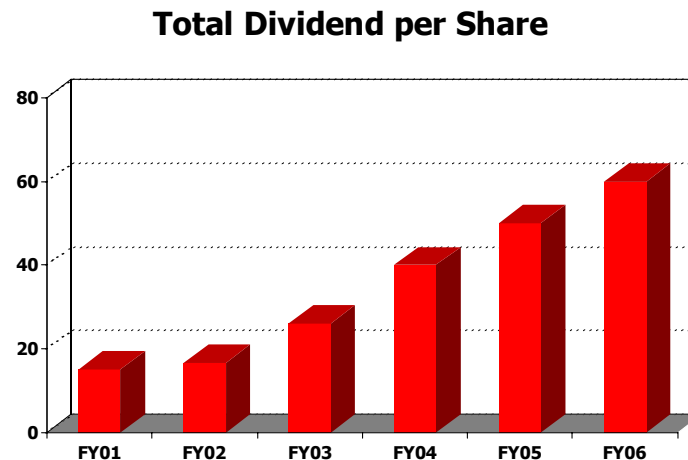
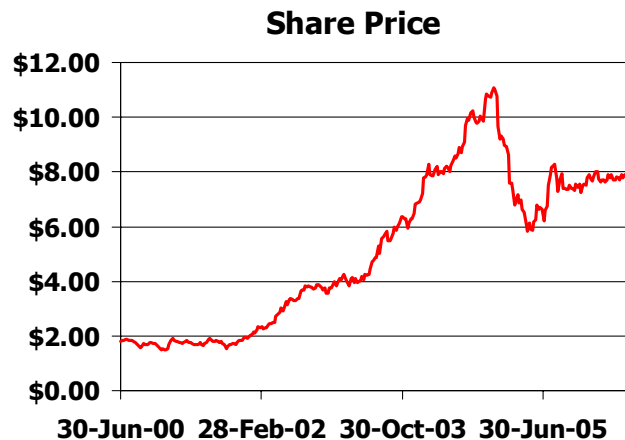


	FY01	FY02	FY03	FY04	H1	FY05 H2	FY05	H1	FY06 H2	FY06
EPS* - Cents	18	34	45	69	33	32	65	34	33	67
Dividend - Cents/Share	15.0	16.5	26.0	40.0	23.0	27.0	50.0	27.0	33.0	60.0
Payout ratio*	84%	49%	57%	58%	70%	84%	76%	80%	99%	89%
Franking %	100%	55%	100%	100%	100%	100%	100%	100%	100%	100%
Shares bought - mill.	2.3	3.4	1.3	0.3	0.4	0.6	1.0	0.0	0.0	0.0
Buy back value - \$m	4.2	6.9	4.7	1.9	4.2	3.8	8.0	0.0	0.0	0.0

*Note: Excluding individually significant items

- ◆ Final dividend increased 22% to 33 cents
- ◆ Annual dividend increased 20% to 60 cents
- ◆ Payout ratio increased to 89%
- ◆ Scope for capital management if appropriate – no activity in FY06

Shareholder returns



- ◆ Share price increased 26% from June 2005 to \$7.90
- ◆ Total Shareholder Return of 34% for FY06
- ◆ Annual dividend has grown 32% compound over 5 years
- ◆ Earnings per share has grown 30% compound over 5 years

Brand portfolio

Consumer

TURNING GRASS INTO LAWN

Automotive

Water

WATER PRODUCTS

MANUFACTURERS AND DISTRIBUTORS OF HIGH QUALITY POOL & SPA EQUIPMENT

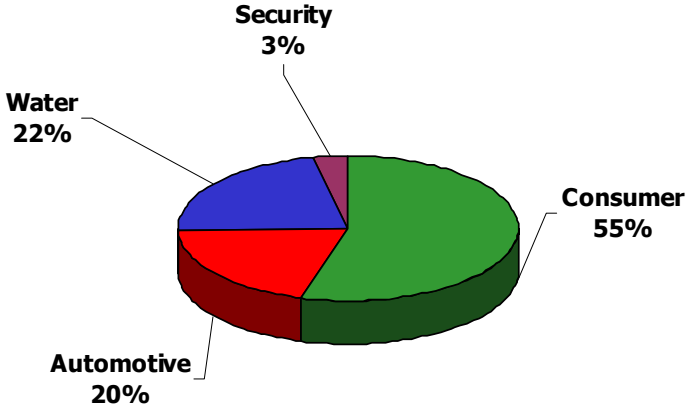
Security

- ◆ Added Monarch Pool Systems July 2006
- ◆ Acquisition strategy remains focused on:
 - Growing portfolio of Australian and New Zealand brands
 - Industrial and consumer sectors
 - EPS positive both short and long term

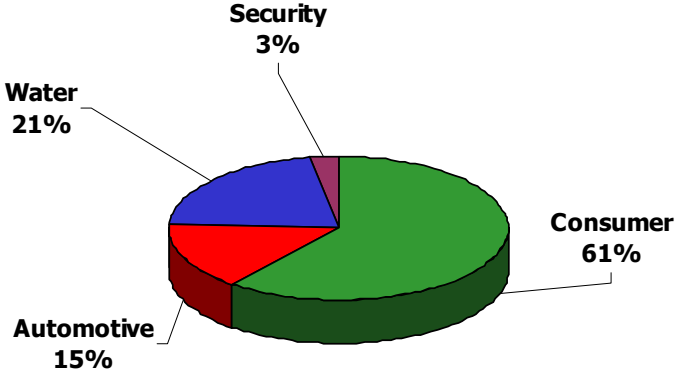
Sales & EBIT segmentation

Sales

FY05

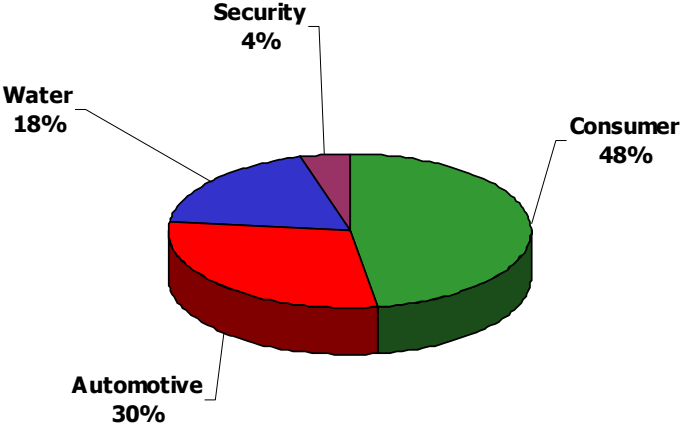


FY06

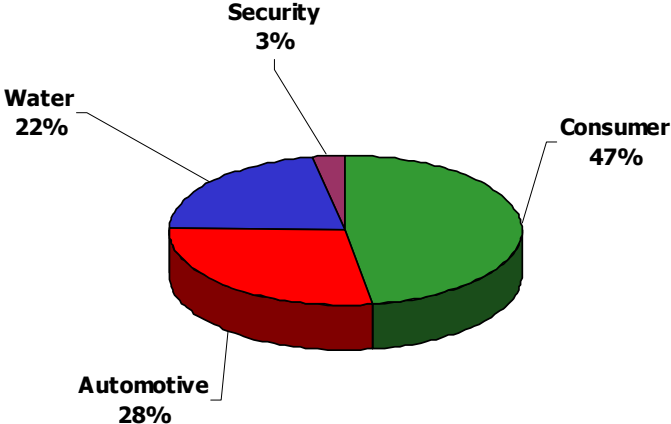


EBIT

FY05



FY06



\$million	FY01	FY02	FY03	FY04	FY05			FY06		
					H1	H2	FY05	H1	H2	FY06
Working Capital	46.7	26.9	24.7	29.4	56.4	36.1	36.1	66.8	46.1	46.1
PP&E	22.2	10.8	10.2	9.3	9.7	9.5	9.5	17.7	16.7	16.7
Capital Employed	116.9	81.6	82.9	83.3	112.7	92.5	92.5	144.9	124.0	124.0
Sales	192.1	205.6	201.8	223.2	117.0	98.1	215.1	148.7	133.6	282.3
EBITDA	15.4	20.4	25.1	40.0	16.3	17.0	33.3	20.1	18.6	38.6
Depreciation	4.4	3.2	2.3	2.9	1.2	1.2	2.4	2.1	2.1	4.1
EBITA	11.0	17.2	22.8	37.2	15.1	15.8	30.9	18.0	16.5	34.5
Amortisation	0.0	1.3	2.0	2.7	1.1	1.3	2.4	2.0	2.1	4.1
EBIT	11.0	15.9	20.8	34.5	14.0	14.5	28.6	16.0	14.4	30.4
EBIT/Sales Margin	6%	8%	10%	15%	12%	15%	13%	11%	11%	11%

Note: Excluding individually significant items

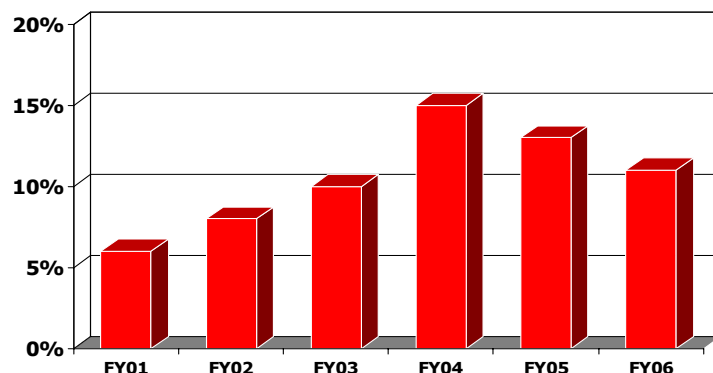
- ◆ Consumer Products EBIT increased 6% to \$30.4 million
- ◆ Sunbeam contribution lower versus previous year:
 - Sales and market share increased in Australia
 - Price points held in competitive market reflecting brand strength and product quality
 - Stronger performers included Foodsaver, Café Series, Emjoi and blankets
 - Higher oil prices increased freight and plastics costs
 - Higher raw material prices, especially zinc, aluminium and copper
 - Margins remain under pressure
 - New categories to contribute positively including gas barbeques



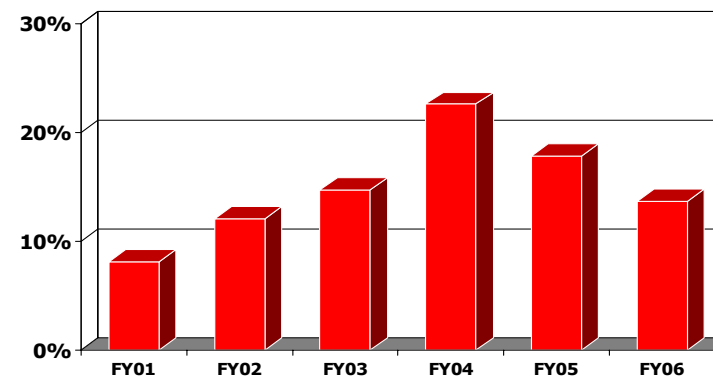
- ◆ Victa contribution improved on previous year:
 - Expanding domestic market
 - Recovery in market share
 - Improved ranging in major retailers
 - Cost increases in plastics, steel and aluminium, 4 stroke engines and freight
 - New products to underpin further profit improvements – vacuum, electric mower
 - Commenced low cost sourcing program, full benefits to come FY07

- ◆ Oates first year contribution below expectations:
 - Delayed entry of Bissell new products
 - Integration costs
 - Trading environment competitive

EBIT/Sales



CVA Return



- ◆ Consumer Products EBIT/Sales margin will remain under pressure:
 - Consumer sentiment affecting discretionary expenditure
 - Cost pressures impacting, particularly freight and raw materials
- ◆ Returns should remain well above 10% CVA benchmark

Automotive Products



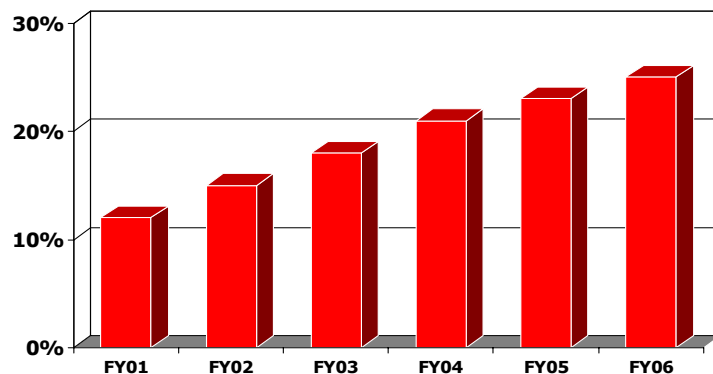
\$million	FY01	FY02	FY03	FY04	FY05			FY06		
					H1	H2	FY05	H1	H2	FY06
Working Capital	16.5	16.6	16.8	15.6	13.1	16.0	16.0	14.6	13.9	13.9
PP&E	21.1	19.2	17.4	15.2	7.0	6.8	6.8	6.8	2.0	2.0
Capital Employed	43.5	39.1	37.2	33.9	23.1	25.6	25.6	24.3	19.0	19.0
Sales	80.1	84.2	85.8	86.0	40.1	38.5	78.6	36.0	34.5	70.4
EBITDA	12.6	15.7	17.9	21.5	9.1	9.3	18.4	9.1	9.1	18.2
Depreciation	2.9	2.6	2.6	2.8	0.3	0.3	0.7	0.2	0.1	0.3
EBITA	9.7	13.2	15.4	18.8	8.7	9.0	17.7	8.9	9.0	17.9
Amortisation	0.5	0.5	0.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	9.2	12.7	15.2	18.4	8.7	9.0	17.7	8.9	9.0	17.9
EBIT/Sales Margin	12%	15%	18%	21%	22%	23%	23%	25%	26%	25%

Note: Excluding individually significant items

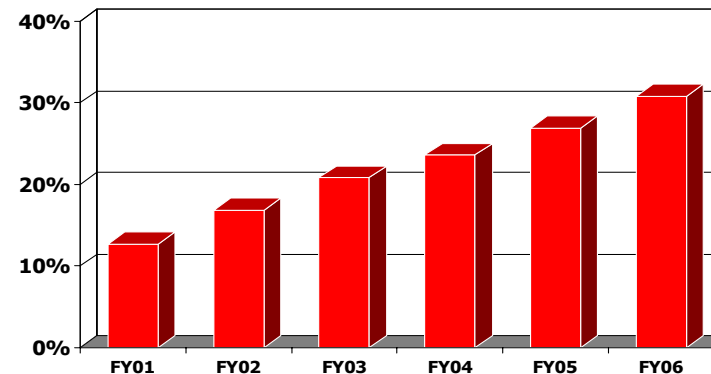
- ◆ Automotive Products EBIT increased 1% to \$17.9 million
- ◆ Sales declined due to industry conditions
- ◆ Higher tinplate and freight costs impacting
- ◆ Wesfil branch network expanding
- ◆ Ryco broadened distribution through major retailers in Australia



EBIT/Sales



CVA Return



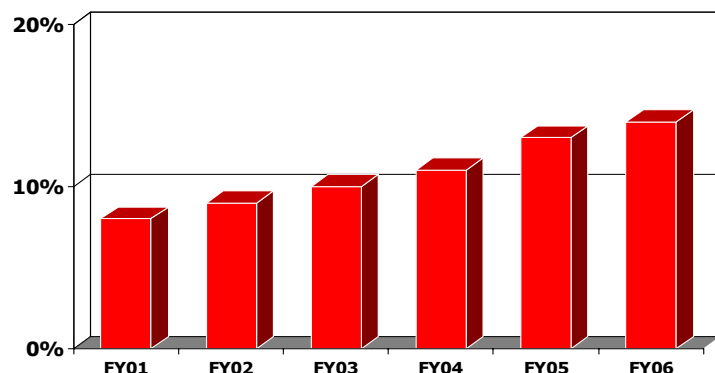
- ◆ Strong performance reflects benefits from restructuring
- ◆ Achieved planned cost reductions
- ◆ Australian product totally sourced from offshore
- ◆ Continuing to invest in brand and distribution
- ◆ Industry conditions to remain tough

\$million	FY01	FY02	FY03	FY04	FY05			FY06		
					H1	H2	FY05	H1	H2	FY06
Working Capital	11.8	10.1	9.1	15.5	16.8	18.8	18.8	19.8	17.5	17.5
PP&E	6.2	7.1	7.2	9.1	9.0	7.3	7.3	7.5	7.2	7.2
Capital Employed	23.1	22.0	21.3	38.1	38.8	44.8	44.8	46.4	43.0	43.0
Sales	57.3	63.7	71.9	72.8	46.4	41.1	87.5	49.7	47.1	96.7
EBITDA	6.2	7.2	9.1	10.2	7.4	5.9	13.3	7.6	8.5	16.2
Depreciation	1.3	1.3	1.5	1.6	1.1	0.9	2.0	1.1	0.8	1.9
EBITA	4.8	5.9	7.7	8.6	6.3	5.0	11.3	6.6	7.8	14.3
Amortisation	0.3	0.3	0.3	0.3	0.0	0.2	0.3	0.0	0.5	0.5
EBIT	4.5	5.6	7.4	8.3	6.3	4.8	11.1	6.6	7.3	13.9
EBIT/Sales Margin	8%	9%	10%	11%	14%	12%	13%	13%	15%	14%

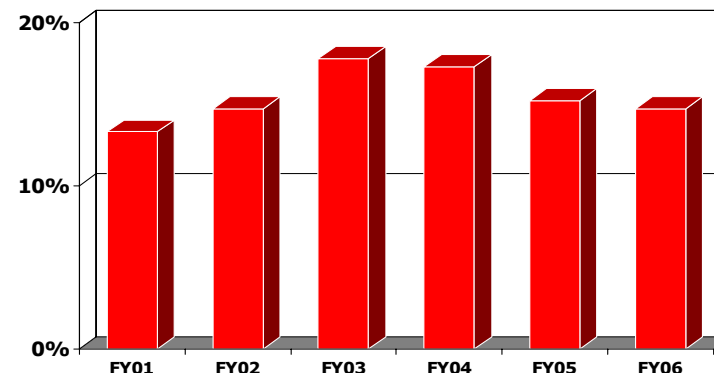
Note: Excluding individually significant items

- ◆ Water Products increased EBIT 25% to \$13.9 million
- ◆ Margins improved despite higher plastics, aluminium and freight costs
- ◆ Growth from acquisitions and traditional business
- ◆ New products drove sales and profit growth in Davey
- ◆ Spa-Quip improved contribution despite lower New Zealand currency
- ◆ First full year of contribution from Contamination Control

EBIT/Sales



CVA Return



- ◆ Bolt-on acquisitions proving successful
- ◆ Building a diversified water products business focused on:
 - Domestic and rural water supply and treatment dealers
 - Spa bath and spa pool original equipment manufacturers
 - Swimming pool builders and pool shops
- ◆ Substantial new product activity to underpin growth
- ◆ Water Products sales to exceed \$130 million with Monarch acquisition

Profile of Monarch Pool Systems acquisition



- ◆ Acquired 3 July 2006
- ◆ Developer, manufacturer and importer of water-related swimming pool products
- ◆ Core expertise in salt water chlorination technology
- ◆ Opportunities for technology sharing with Davey and Spa-Quip
- ◆ Opportunities for operational efficiencies with Davey
- ◆ Cost approximately \$32 million plus \$3 million working capital
- ◆ Generates sales of around \$30 million - one third to export markets

\$million	FY01	FY02	FY03	FY04	FY05			FY06		
					H1	H2	FY05	H1	H2	FY06
Working Capital	2.4	1.9	2.2	2.9	3.2	3.2	3.2	2.9	3.3	3.3
PP&E	5.0	3.9	3.2	3.4	3.7	3.8	3.8	4.1	4.1	4.1
Capital Employed	14.8	12.6	11.9	11.7	12.1	11.9	11.9	12.5	12.9	12.9
Sales	11.6	12.4	13.5	13.4	7.2	6.1	13.3	6.8	6.2	13.0
EBITDA	2.3	2.8	2.2	3.3	1.7	1.5	3.3	1.5	1.3	2.7
Depreciation	0.5	0.4	0.4	0.6	0.3	0.3	0.6	0.3	0.4	0.7
EBITA	1.8	2.4	1.8	2.8	1.5	1.2	2.7	1.1	0.9	2.0
Amortisation	0.6	0.6	0.6	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Add back: Asian Costs			0.9							
EBIT	1.2	1.8	2.1	2.1	1.5	1.2	2.7	1.1	0.9	2.0
EBIT/Sales Margin	10%	14%	16%	15%	21%	20%	20%	16%	14%	15%

Note: Excluding individually significant items

- ◆ Security Products EBIT declined 26% to \$2 million
- ◆ Sales down due to lower demand from building industry customers
- ◆ Margin declined due to zinc and brass cost increases

- ◆ Increased raw material prices are driving higher product costs
- ◆ Other costs also increasing, including freight
- ◆ Market conditions to remain tough
- ◆ Margins to remain under pressure
- ◆ Offshore sourcing, new products and acquisitions partially offset difficult conditions
- ◆ Water Products business positioned for strong growth
- ◆ Balance sheet strength provides scope for acquisitions and capital management
- ◆ FY07 EBIT to be in line with FY06 or slightly lower
- ◆ Dividend expected to be maintained at current levels