

Investor Presentation

March/April, 2009



Presentation by
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FY09 first half result key points

- > Sales from Continuing Operations down 3% to \$237.3 million
- > Profitability sustained, trading EBIT down 2% to \$32.6 million
- > EBIT/sales margin increased to 13.7% from 13.6%
- > NPAT from Continuing Operations down 4% to \$19.5 million
- > All businesses except Security Products traded solidly
- > Consumer Products EBIT from Continuing Operations steady at \$16.3 million
- > Strong improvement from Oates following restructuring in previous year
- > Trading EPS from continuing business steady at 33.8 cents
- > EPS down 14% to 33.8 cents (prior year contribution from Victa)
- > Interim dividend down 3 cents to 27 cents

First half business segment performance



	Sales \$m			Trading EBIT \$m		
	2007	2008	% Change	2007	2008	% Change
Consumer  	127.7	126.8	-1%	16.3	16.3	0%
Water 	73.6	65.7	-11%	8.5	8.4	-2%
Automotive   	36.5	38.6	6%	10.2	9.8	-4%
Security 	7.0	6.4	-10%	1.2	0.5	-57%



Trading update - Consumer

- > In line with last year, on continuing business basis, to end February
- > Very little change in performance from advice given previously
- > Small appliances market in Australia showing resilience:
 - Year End Jan 09 vs Year End Jan 08 – units +7%, value +7% (Source: GfK)
- > Cleaning products not as susceptible to consumer discretionary spending cutbacks



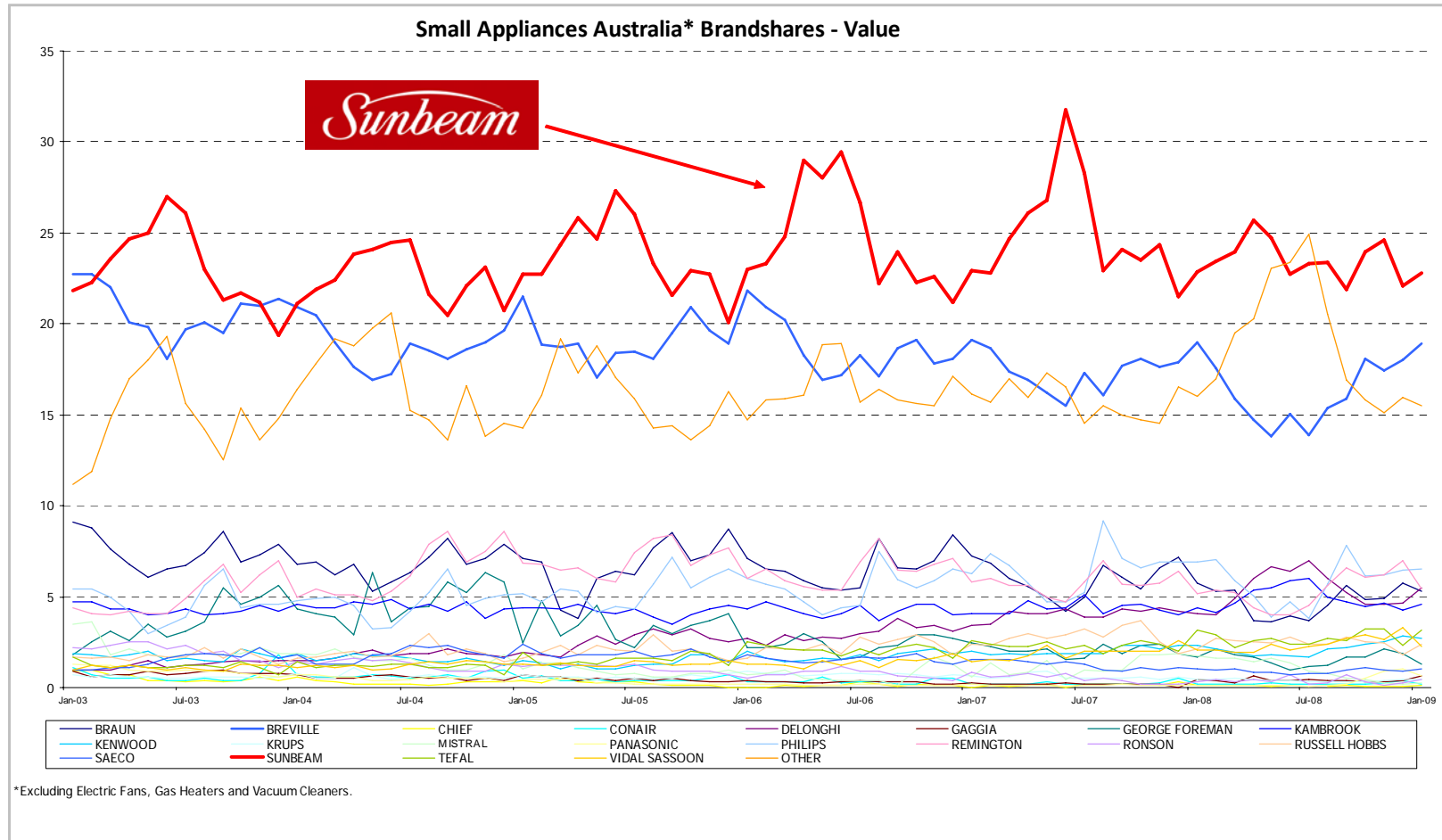


Consumer segment initiatives and effects

- > Targeted branding programs implemented for both Oates and Sunbeam
- > Well developed brand plans and brand health scorecards in place
- > Oates successful in gaining new business in major retailers
- > Lower Australian dollar effect countered by:
 - Product cost reductions and extended supplier payment terms
 - Price increases
 - Tight overhead cost controls
- > Future new product introductions to secure sales growth and maintain margins



Small appliance brand shares- Australia





Trading update - Water

- > Expecting stronger second half:
 - Monarch restructuring completed – expense drag in FY08
 - Sales benefits from Victorian bushfires and Queensland floods
 - Australian dollar level conducive for export sales growth
- > But pool and spa markets are still down
- > Achieved double digit EBIT growth in January and February over prior year:
 - Product cost reductions
 - Price increases
- > New export opportunities opening up:
 - New US distribution channels for pool equipment
- > Further rationalisation initiatives in New Zealand to reduce overheads





Trading update - Security

- > First half impacted by:
 - Higher metal prices
 - Improved competitiveness of imported product
 - Lower sales in building and leisure industry sectors
- > Stronger second half expected as building recovers:
 - Window winders and garage door locks
- > Price increases implemented; margin improving
- > Export sales recovering as dollar is more competitive
- > Senior management change to drive improvement



Trading update - Automotive



- > Insulated from manufacturing sector as business focused on the aftermarket
- > Aftermarket volumes holding up but will be affected by vehicle sales slowdown
- > Ryco and Wesfil gaining market share due to:
 - Ryco securing Supercheap Auto business
 - Wesfil's 'close-to-the-market' branch network securing fall out from National Parts closure
 - Introduction of new part numbers for new vehicle models
- > Price increases implemented to offset lower local A\$ and NZ\$





Summary

- > First half resilience highlights brand strength and benefits of flexible business model
- > FY09 profit will depend on:
 - Level of second half demand
 - Impact of lower dollar on product costs and margins
- > Management action implemented to offset negative macro factors:
 - Cost reductions across all businesses
 - Price increases for all brands
 - More favourable terms with offshore suppliers
- > New debt financing arrangements recently concluded:
 - \$100m core debt in place to July 2011
 - \$80m seasonal debt renegotiated to July 2012
- > Focus remains on active balance sheet and cash flow management
- > Positioned well to take advantage of lower asset values through sensible acquisitions