



Operating Specialised Automotive Aftercare and Accessories Businesses

FY2016 Half Year Results Presentation

2 March 2016

Normalised results



Operating Specialised Automotive Aftercare and Accessory Companies

First half 2016 results saw strong operating performance despite several abnormal items

	Current	Prior ²	Change
EBITDA - continuing operations : Reported (\$'000)	9,571	6,685	43.2%
EBITDA - continuing operations : Normalised ¹ (\$'000)	12,508	6,685	87.1%
NPBT (\$'000)	7,540	6,125	23.1%
Basic EPS - continuing operations : Reported (cents)	0.97	1.31	(25.9)%
Basic EPS - continuing operations : Normalised ¹ (cents)	1.48	1.31	13.0%
Current ratio (times)	1.16	0.97	19.6%
Gearing ratio	2.86%	17.24%	(83.4)%
Net Operating Cash Flows (\$'000)	4,593	3,443	33.4%

Notes:

1. Normalised excludes effect of employee options expense (\$2.341m) and professional services expense specifically attributable to acquisition programme (\$0.596m)
2. Prior comparative period – six months ended 31 December 2014 (except for Current ratio and Gearing ratio – 30 June 2015)

AMA Group Overview

Stable of businesses focused on the automotive aftercare and accessories market

	Vehicle Panel Repair	Vehicle Protection Products & Accessories	Automotive Electrical & Cable Accessories	Automotive Component Remanufacturing
Brands	 <p>Victoria's Leading Prestige Smash Repairer</p>   <p>PRESTIGE COLLISION REPAIRS</p>   <p>ACCIDENT REPAIR SPECIALISTS</p>  <p>REPAIR PROCESS MANAGEMENT</p>  	 <p>WORLD'S BEST ALLOY BULLBARS</p>  <p>Australia's Leading Manufacturer of Truck Bullbars</p>	 <p>Connecting Through Innovation!</p>  <p>AUTO ELECTRICS MADE EASY</p> 	 <p>BETTER THAN NEW</p>

Panel repair



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Brands	       
Sales	A\$78.0 m (+383.5%) ²
GM \$¹	A\$45.3m (+338.4%) ²
GM %¹	58.1%
Comments	<ul style="list-style-type: none"> – Highly fragmented industry in Australia – AMA ideally placed for significant consolidation taking place in panel repairs – Highly acquisitive – Shipstone, BMB, Gemini, Woods, Stanleys, Micra, BDS and Keswick in past twelve months ³ – Strong relationship with major insurers (inc. Suncorp and IAG) and prestige car manufacturers – National footprint with 70 sites across Australia – Integration progressing well with cost saving / synergies ahead of expectations – Several more acquisitions are currently being considered

1. Gross Margin ("GM") for Panel does not include direct labour or an overhead allocation

2. Period on Period growth.

3. Micra, BDS and Keswick acquisitions completed post balance date

Vehicle Protection Products & Accessories



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Brands	 WORLD'S BEST ALLOY BULLBARS	
Sales	A\$14.5 m (+3.2%) ²	
GM \$¹	A\$6.8 m (+11.7%) ²	
GM %¹	47.2%	
Comments	<ul style="list-style-type: none"> – Leading manufacturer of alloy bullbars – Prominent in the market with approx 50%+ market share across aftermarket, fleet and OEM sales channel in alloy – Insurer relationships creating supply opportunities for bullbars – Further potential acquisitions in this segment 	

1. Gross Margin ("GM") for Panel does not include direct labour or an overhead allocation

2. Period on Period growth.

Automotive Electrical & Cable Accessories

Brands	  
Sales	A\$7.9 m (-9.8%) ²
GM \$ ¹	A\$2.4 m (-17.0%) ²
GM % ¹	31.2%
Comments	<ul style="list-style-type: none"> – Product innovation creating organic opportunities – Pursuing broader product segments including industrial, marine, leisure and automotive retail sectors – Opportunity to expand through vertical integration in supply chain for Panel

1. Gross Margin ("GM") for Panel does not include direct labour or an overhead allocation

2. Period on Period growth.

Automotive Component Remanufacturing



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Brands		
Sales	A\$3.7 m (+25.2%) ²	
GM \$¹	A\$1.4 m (+6.9%) ²	
GM %¹	38.4%	
Comments	<ul style="list-style-type: none"> – Solid organic growth profile with Fluiddrive – Strong relationship with major manufactures – Integrated relationship with 4 out of the top 6 market share OEM brands – Opportunity to expand in core market areas – Strong management and team buy-in are delivering exceptionally strong operational results – Perth Brake Parts was sold at book value on 1 February 2016 	

1. Gross Margin ("GM") for Panel does not include direct labour or an overhead allocation

2. Period on Period growth.

Initiative

Aggressively participate in the Panel Industry consolidation

Continually drive integration of panel acquisitions to drive synergies and cost savings

Identify and executive strategic acquisitions in the Accessories and Component divisions

Execute strategic partnership agreements with key suppliers

Consolidate Panel Division Operating Systems, Finance, IT and HR functions

AMA is expected to generate an EBITDA, on a normalised basis, for the 2016 Financial Year in the range of \$28 million to \$29 million.

AMA has a strong and continuing pipeline of potential acquisitions in the panel repair sector that it is currently assessing

Summary



Operating Specialised Automotive Aftercare and Accessory Companies

- ✓ **Leading provider of Australian automotive aftercare services and accessories**
- ✓ **Cemented leading position in Australia's panel repair market**
- ✓ **Strong operating cashflows, further increasing following transformational acquisitions**
- ✓ **Strong balance sheet with ability to take on additional leverage**
- ✓ **Well positioned to drive ongoing consolidation in panel repair market**
- ✓ **High quality management team bolstered by new additions**

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