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Enabling Successful Automotive Operations with Precision Components

2015 Half Year Results presentation

24 February 2015

First half 2015 saw strong operational performance and benefits of significant acquisitions

Half year ended 31 December	2015	2014	%
Revenue	\$43.6m	\$30.8m	+41.4%
EBITDA ¹	\$6.8m	\$4.2m	+60.3%
NPAT ¹	\$4.4m	\$2.6m	+66.7%
Net operating cashflows	\$3.7m	\$0.9m	+301.0%
EPS ¹	1.31c	0.79c	+66.0%

Note 1: from continuing operations

- Panel repair – significant acquisitions integrated well and contributing above expectations
- Vehicle protection products – combined ECB / Custom Alloy business has delivered additional GP of 41% benefit in a subdued market, target market new car sales down approximately 4%
- Component remanufacturing – delivered excellent results in both revenue and bottom line
- Electrical & cable accessories – market remained subdued and business was flat. Expenses have been closely monitored and the it appears the cycle has bottomed
- Strong operating cash flow and balance sheet continue to provide opportunities for further growth and accretive acquisitions

AMA continues to rapidly build its position in an industry undergoing significant consolidation

Half year ended 31 December	2015	2014	%
Revenue	\$16.4m	\$7.5m	+118.0%
Gross margin	\$10.3m	\$4.5m	+131.4%

- Strong relationships with major insurers
- Strong relationships with all of the major prestige car manufacturers
- Strong management team with deep experience
- Acquisition of RMA, Shipstone and BMB & Browns businesses has increased the annualised revenue of our panel repair business by approximately 360%
- Strategic footprint in Victoria and entry prominent point in Queensland
- Integration progressing well with cost savings and synergies ahead of expectation
- Momentum is building and several more compelling acquisitions are currently being considered



Integrating Acquisitions

Acquisitions are integrating well

- Since Nov 2013 AMA Group has integrated acquired businesses that have grown the group's annualised revenue by approximately 72% to \$111.5m before organic growth
- First half 2015 included 1 strategic acquisition in panel repair and 2 further panel repair acquisitions were integrated early in the second half
- RMA acquisition was transformative and has delivered significant benefits through systems integration, workflow optimisation and procurement cost savings
 - Integration has exceeded expectations and the combined business is over delivering on revenue and earnings
- New rapid repair workshop provides scope for further growth and creates a template for additional organic opportunities
 - Fully operational since start of 2015 and building rapidly
- Shipstone and BMB & Browns acquisitions are integrating well and should contribute as expected to the full year



New RMA rapid repair workshop

ECB and Custom Alloy businesses fully integrated and dominating alloy bullbar market

Half year ended 31 December	2015	2014	%
Revenue	\$14.5m	\$10.9m	+32.4%
Gross margin	\$7.6m	\$5.3m	+41.6%

- New vehicle sales were flat however our business performed well
- Market appears to be improving
- Custom Alloy is now completely integrated with ECB and a continuous improvement program is now well underway. This program is expected to continue to deliver margin improvements over the next 12-18 months
- Custom Alloy's margin is steadily increasing to that of ECB through this program
- ECB and Custom Alloy dominate the alloy Bullbar market and further initiatives to grow market share even further are also well underway



FluidDrive and Perth Brake Parts delivered solid results underpinned by management initiatives

Half year ended 31 December	2015	2014	%
Revenue	\$4.3m	\$3.7m	+17.2%
Gross margin	\$1.7m	\$1.2m	+34.1%

- Solid organic growth with revenue up 17% on the comparative period
- Volume benefits and improved efficiencies have driven gross margin growth of 34%
- Key opportunities in core market areas are providing platform for ongoing performance
- Exceptional management and team buy-in are delivering outstanding performance



Automotive Electrical & Cable Accessories

New product initiatives underpinned stable result in a subdued market

Half year ended 31 December	2015	2014	%
Revenue	\$8.8m	\$9.1m	-3.4%
Gross margin	\$3.0m	\$3.3m	-11.5%

- Business performed well to stay largely flat in subdued market with continued declining demand from resources-related clients (this appears to have stabilised)
- New product initiatives have delivered alternative revenue streams, whilst WA has stabilised at levels lower than FY14
- New products with innovative technology providing penetration in to Industrial, Marine, Leisure and Automotive retail sectors



Connecting Through Innovation!



Summary

- First half 2015 was a strong result with significant revenue and earnings growth
- Strategic and accretive acquisitions are expected to contribute strongly in FY15
- Smash repairs industry continues to undergo significant consolidation and rationalisation
 - AMA very well placed to capitalise on opportunities for growth within this changing industry and across our businesses
- Strong financial position
 - High cash generation
 - Low debt
- AMA will continue to pursue organic growth as well as identifying, acquiring and integrating complementary businesses across its market segments