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Operating Specialised Automotive Aftercare and Ancillary Companies

# UBS Emerging Companies Conference

3 June 2015

# Group Overview

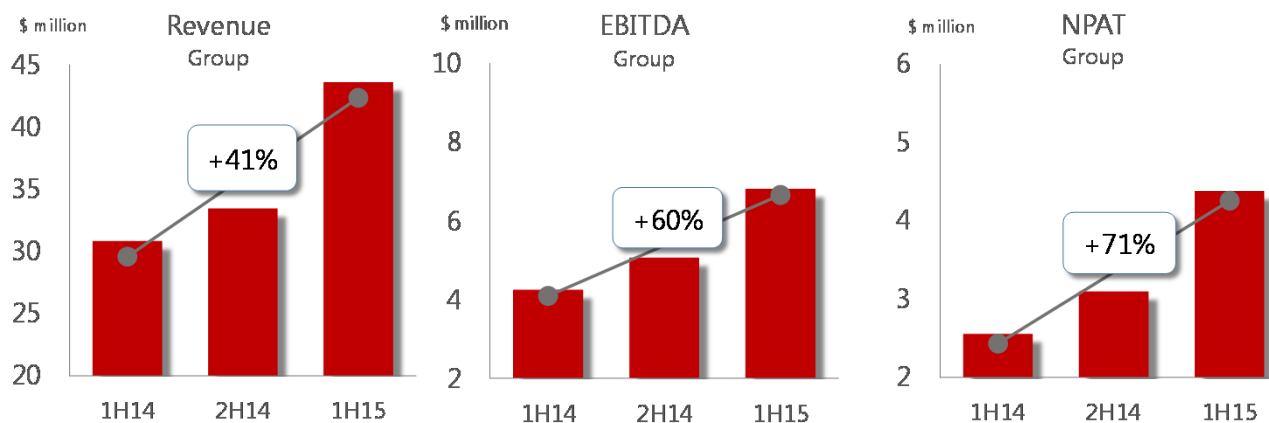
## Stable of businesses focused on the automotive aftercare and accessories market

Vehicle Panel Repair	Vehicle Protection Products & Accessories	Automotive Electrical & Cable Accessories	Automotive Component Remanufacturing
 Mr. Gloss <small>Victoria's Leading Prestige Smash Repairer</small>  BMB <small>PRESTIGE COLLISION REPAIRS</small>  Shipstone <small>ACCIDENT REPAIR SPECIALISTS</small>	 REPAIR MANAGEMENT <small>MANAGEMENT</small>  BROWNS MOTORS  WOODS  GO RAPID	 ECB <small>THE COOL BULLBAR</small> WORLD'S BEST ALLOY BULLBARS  CUSTOM ALLOY <small>Australia's Leading Manufacturer of Truck Bullbars</small>	 CABLE KT ACCESSORIES <i>Connecting Through Innovation!</i>  AUSTRALIA Alenco <small>AUTO ELECTRICS MADE EASY</small>  PERTH BRAKE PARTS <small>YOUR BRAKE PART SPECIALIST</small>

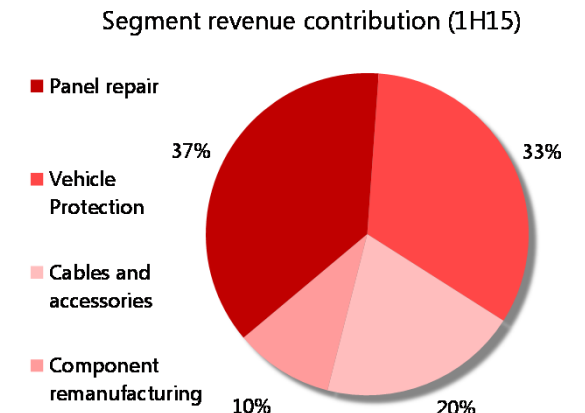
- Market leading brands diversified geographically and through market segments
- All businesses performing well
- Considerable opportunity in panel repair consolidation
- Very strong cashflow and balance sheet

## Strong revenue and earnings growth supported by accretive acquisitions

- Very strong financial performance driven by vehicle protection and panel repair segments
- Strong operating cash flows of \$3.7 million 1H15 (up 301% on 1H14)
- Low gearing with significant balance sheet capacity
- All segments performing well and recently acquired businesses contributing strongly with synergies as expected
- Significantly higher revenue and earnings contribution from panel repair expected with recent acquisitions and more in the pipeline

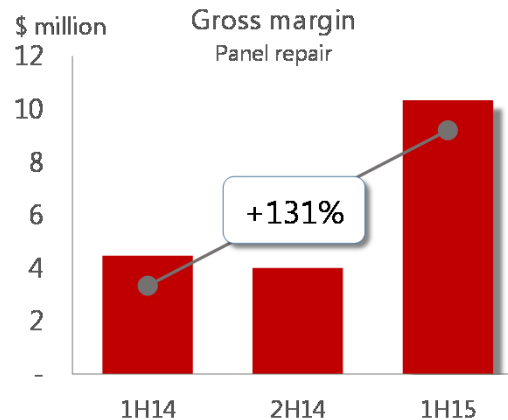
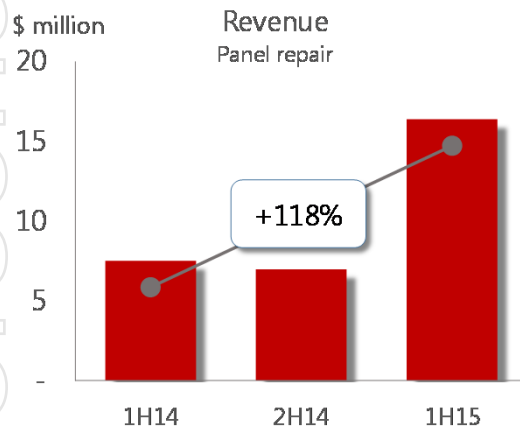


AMA GROUP LIMITED

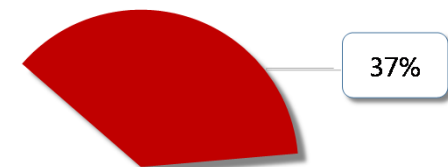


## AMA is very well placed for the significant consolidation taking place in panel repairs

- In past 12 months AMA has made 3 strategic and accretive acquisitions in panel repair
  - Strategic footprint in Victoria with Mr Gloss, Repair Management Australia, BMB Prestige and Browns Motors
  - Entry point into Queensland with Shipstone Accident Repair Specialists
  - Recently announced transaction to operate the 14 shops of Woods Accident Repairs with option to acquire the business
- Acquisitions are integrating well with significant synergies being achieved through productivity and efficiency programs as well as scale procurement benefits
- Additional synergies through AMA's strong relationships with both insurer groups and prestige manufacturers
- A number of further acquisitions being assessed nationally



Segment revenue contribution (1H15)  
Panel repair

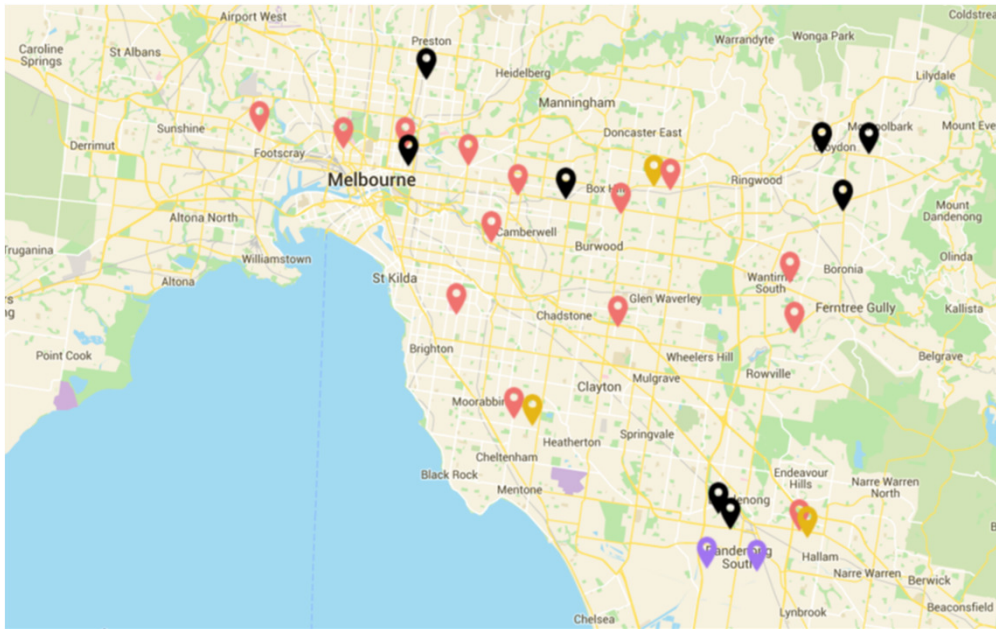


## Vehicle Panel Repairs (continued)

### **The panel repair industry is undergoing significant consolidation**

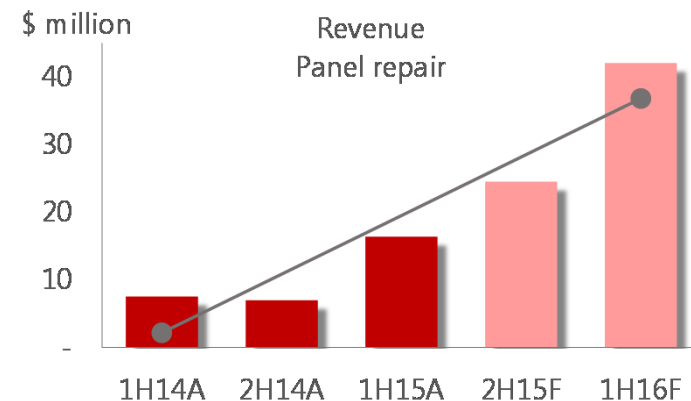
- Australia's \$3.5 billion panel repair industry is highly fragmented with over-capacity and inefficiency
- Industry is undergoing considerable consolidation
  - In line with Global trends (USA, UK and Canada) Panel is consolidating to meet the requirement of insurers
  - Significant capital and technology requirements to be efficient repairer today and this will only increase
  - This places the traditional smaller single shops at a significant disadvantage in terms of dealing with insurers and gaining volume benefits from suppliers of parts and other consumables
- AMA is perfectly placed to benefit from these trends and has become one of the leading consolidators in the sector
  - Integration experience
  - Efficiency and scale synergies
  - Strong industry relationships across the total market
  - Balance sheet capacity and ability to create alignment through scrip and earn out structures

## AMA has a strategic network covering Melbourne and is developing a national footprint



- AMA site
- AMA prestige site
- Woods site (under management)
- Woods Track Right site

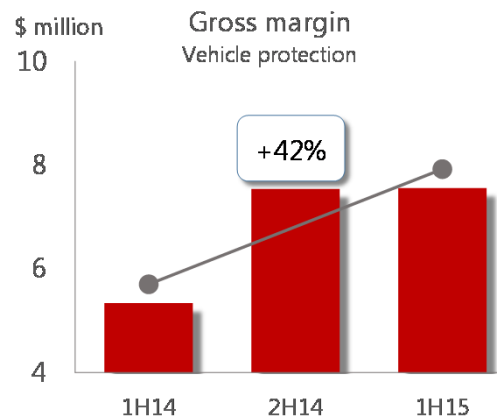
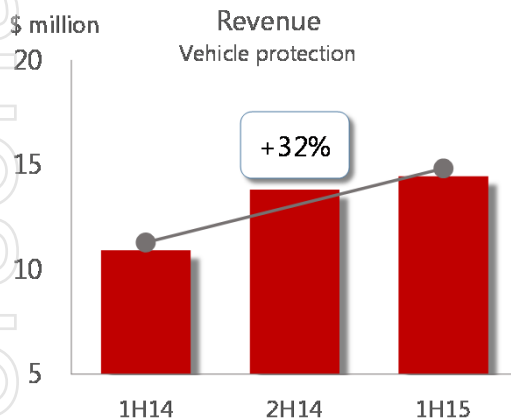
- Through the management of Woods' 14 shops AMA has a network of 26 repair facilities spanning rapid, minor repairs through to major structural services
- The combined annualised revenue is in excess of \$80m ~560% growth since 30 June 2014
- AMA has a valuable network of preferred repairer relationships with many of the prestige manufacturers including Audi, BMW, Bentley, Infiniti, Jaguar, Land Rover, Lexus, Mercedes and Porsche
- Our current facilities have approximately \$50m additional capacity representing great organic growth opportunities



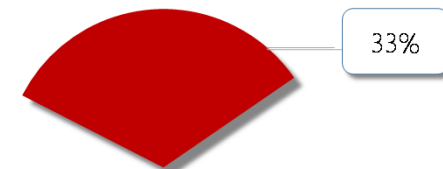
# Vehicle Protection Products & Accessories

## Integrated ECB and Custom Alloy business is a leading operator in alloy bullbar market

- The integrated East Coast Bullbars (ECB) and Custom Alloy business is a leading manufacturer of alloy bullbars for light and medium vehicles
  - More than 50% market share – with spread across aftermarket, fleet and OEM sales channels
  - Export sales channels showing stronger activity with lowering AUD
  - Revenue and margin growth driven by process improvement program and refined product mix
- AMA's insurer relationships creating supply opportunities for bullbars
- A number of further potential acquisitions in this segment being evaluated

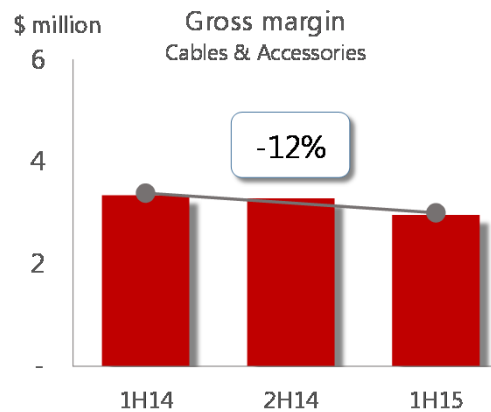
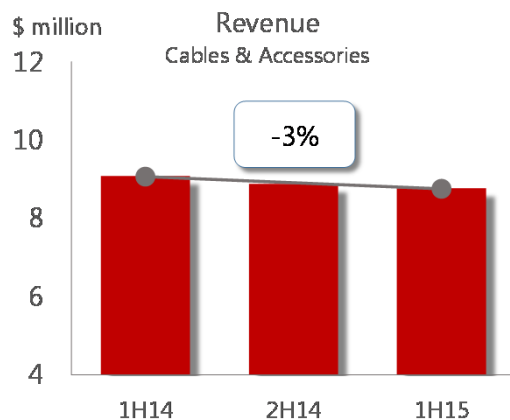


Segment revenue contribution (1H15)  
Vehicle protection

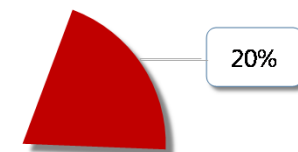


## Product innovation creating organic opportunities

- KT Cable Accessories is a designer, importer and wholesale distributor and Alanco Australia is distributor of automotive, electrical parts & industrial wiring accessories
- The market is flat however product innovation and the pursuit of broader segments (industrial, marine, leisure) and the retailer channel have supported revenue
- Outlook is improving with new product and distribution strategies expected to show improved results through FY16



Segment revenue contribution (1H15)  
Cables & accessories

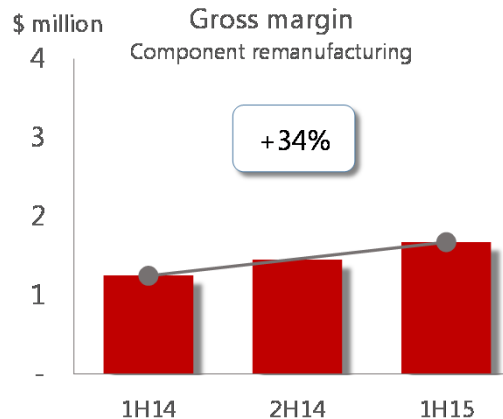
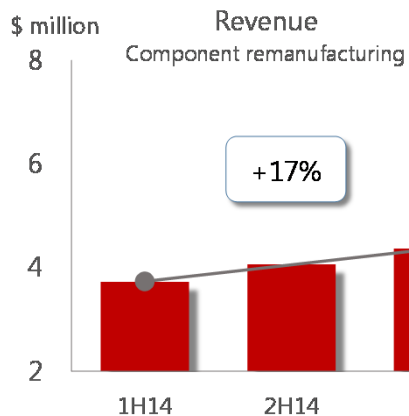




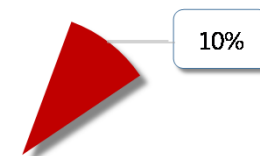
# Automotive Component Remanufacturing

## Revenue and margin growth underpinned by management initiatives

- Transmission remanufacturing for key OEM brands growing and stable performance of aftermarket brake and driveline hydraulics – driving solid organic growth in this area
- Secure integrated relationships with 4 of the top 6 market share OEM brands have provided a platform for volume and process improvements within transmission remanufacturing
- Highly engaged team focussed on efficiency drivers has driven margin improvements with increased volume



Segment revenue contribution (1H15)  
Component remanufacturing



# Summary

- Panel repair industry is undergoing significant consolidation
- AMA is perfectly placed to be a leader in this consolidation
  - Acquired businesses integrating well
  - Synergies through productivity and efficiency programs as well as scale and group sourcing benefits
  - Relationships across the industry including insurers and prestige manufacturers
- Organic capacity within panel repair and strong acquisition pipeline with strategy to build national footprint
- Strong financial position with balance sheet capacity and strong cashflows