

Powerful Brands
Innovative Products
Exceptional People
Operational Excellence



2012 Interim Results Presentation

August 17, 2012

Frank Chan

1H 2012 Results

2012 1H Results

(US\$ m)	<u>1H 2011</u>	<u>1H 2012</u>	<u>Change</u>
Sales	\$1,784	\$1,855	+4.0%
Gross Margin %	32.9%	33.5%	+0.7pts
EBIT	\$115	\$127	+10.4%
<i>% of sales</i>	6.4%	6.8%	
Net Profit	\$80	\$96	+20.1%
<i>% of sales</i>	4.5%	5.2%	
EPS (cents)	\$5.00	\$5.69 *	+13.8%

* After 100% CB conversion

2012 1H Income Statement

(US\$ m)	<u>1H 2011</u>	<u>1H 2012</u>	<u>Change</u>
Sales	\$1,784	\$1,855	+4.0%
Gross Margin	\$586	\$622	+6.1%
<i>% of sales</i>	<i>32.9%</i>	<i>33.5%</i>	
Selling, Distribution, & Advertising	\$242	\$256	+5.4%
Administrative Expenses	\$200	\$205	+2.3%
Research & Development	\$31	\$37	+19.5%
Total SG&A Expenses	\$474	\$498	+5.1%
<i>% of sales</i>	<i>26.6%</i>	<i>26.8%</i>	
Finance Cost	\$29	\$26	(9.6%)
Profit before Income Tax	\$88	\$104	+18.9%
Income Tax Expenses	\$7	\$8	+12.7%
Net Profit	\$80	\$96	+20.1%
<i>% of sales</i>	<i>4.5%</i>	<i>5.2%</i>	

2012 1H Financial Position

(US\$ m)	<u>1H 2011</u>	<u>1H 2012</u>	<u>Change</u>
Non-current Assets	\$1,385	\$1,413	+2.0%
Current Assets	\$2,175	\$2,144	(1.4%)
Current Liabilities	\$1,796	\$1,617	(10.0%)
Net Current Assets	\$379	\$527	+39.1%
Long-term Liabilities	\$549	\$475	(13.5%)
Equity	\$1,199	\$1,456	+21.5%
Interest Coverage (x)	5.9x	7.2x	

2012 1H Gearing

	<u>1H 2010</u>	<u>1H 2011</u>	<u>1H 2012</u>
Gearing	78.6%	66.1%	37.4%

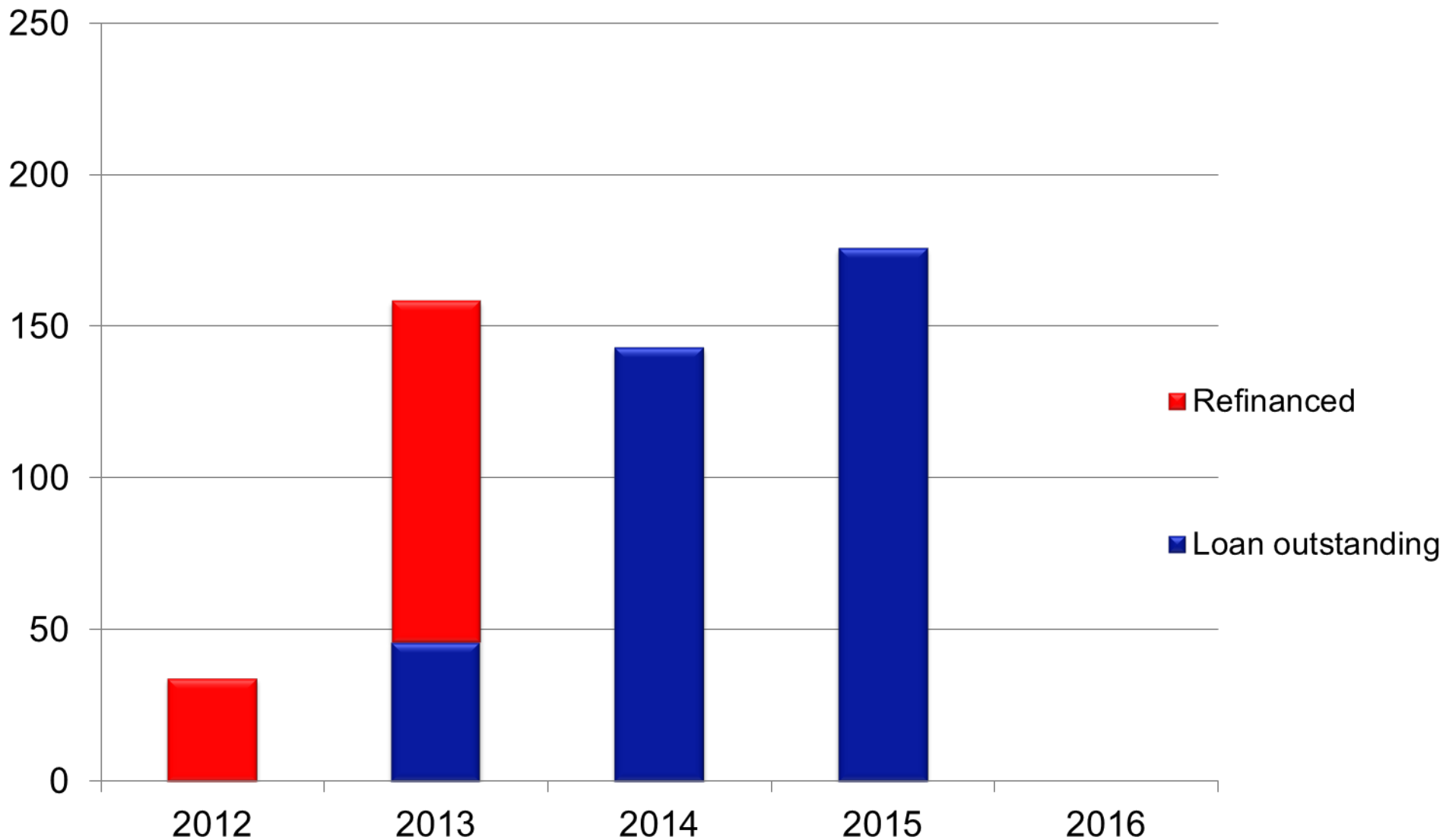
2012 1H Key Financial Figures

(US\$ m)	<u>1H 2011</u>	<u>1H 2012</u>	<u>Change</u>
Inventory	\$801	\$752	(6.1%)
<i>Days</i>	82	73	(9) days
Trade Rec	\$664	\$659	(0.9%)
<i>Days</i>	68	64	(4) days
Trade Payables	(\$679)	(\$705)	+3.8%
<i>Days</i>	70	69	(1) day
Net Working Capital	\$787	\$706	(10.2%)
<i>% of Sales</i>	22.1%	18.9%	(3.2)pts
Cash Balance	\$525	\$530	+1.0%
CAPEX	\$44	\$37	(16.2%)

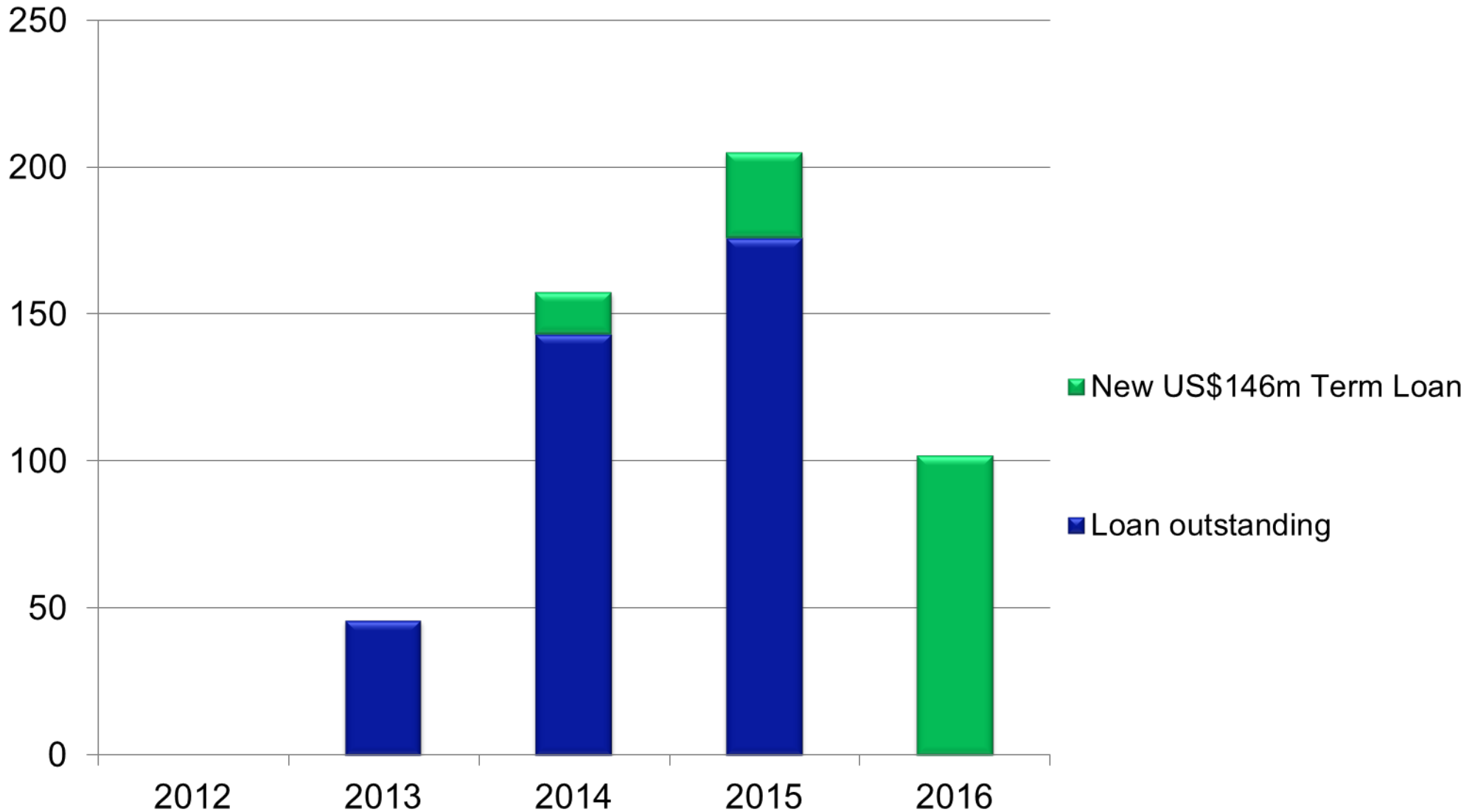
2012 1H Debts with Fixed Maturity Profile

(US\$ m)		<u>1H 2011</u>		<u>1H 2012</u>	<u>Change</u>
Cash Balance		\$525		\$530	+1.0%
Short-term Debt Total	45%	\$340	32%	\$168	(50.6%)
Long-term Debt Total	55%	\$422	68%	\$362	(14.3%)
Total Debt		\$762		\$530	(30.5%)
Floating Rate	61%	\$466	75%	\$396	(15.1%)
Fixed Rate	39%	\$296	25%	\$134	(54.8%)

Debt Profile with Fixed Maturity as at 30 Jun 12 before US\$146m Term Loan refinancing



Proforma Debt Profile with Fixed Maturity after US\$146m Term Loan refinancing



Joe Galli

1st Half Sales

+5.2%

Before Currency

+4.0%

After Currency

2012 1H Results

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GM %	32.9%	33.5%	+0.7pts
SG&A %	26.6%	26.8%	+0.2pts
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EPS	\$5.00	\$5.69 *	+13.8%

* After 100% CB conversion

1st Half Organic Sales Growth *

Power Equipment: + 10.1%

Floorcare/Appliances: - 7.9%
(Branded: - 1.4%)

* Before Currency

1st Half Sales



+23.7%

Before Currency



1st Half Sales

Global Power Tool Accessories

+19%

Before Currency



2012 1H Working Capital Performance

(US\$ m)	<u>1H 2011</u>	<u>1H 2012</u>	<u>Change</u>
Inventory	\$801	\$752	(6.1%)
<i>Days</i>	82	73	(9) days
Trade Rec	\$664	\$659	(1.0%)
<i>Days</i>	68	64	(4) days
Trade Payables	(\$679)	(\$705)	+3.8%
<i>Days</i>	70	69	(1) day
Net Working Capital	\$787	\$706	(10.2%)
WC % of Sales	22.1%	18.9%	(3.2)pts

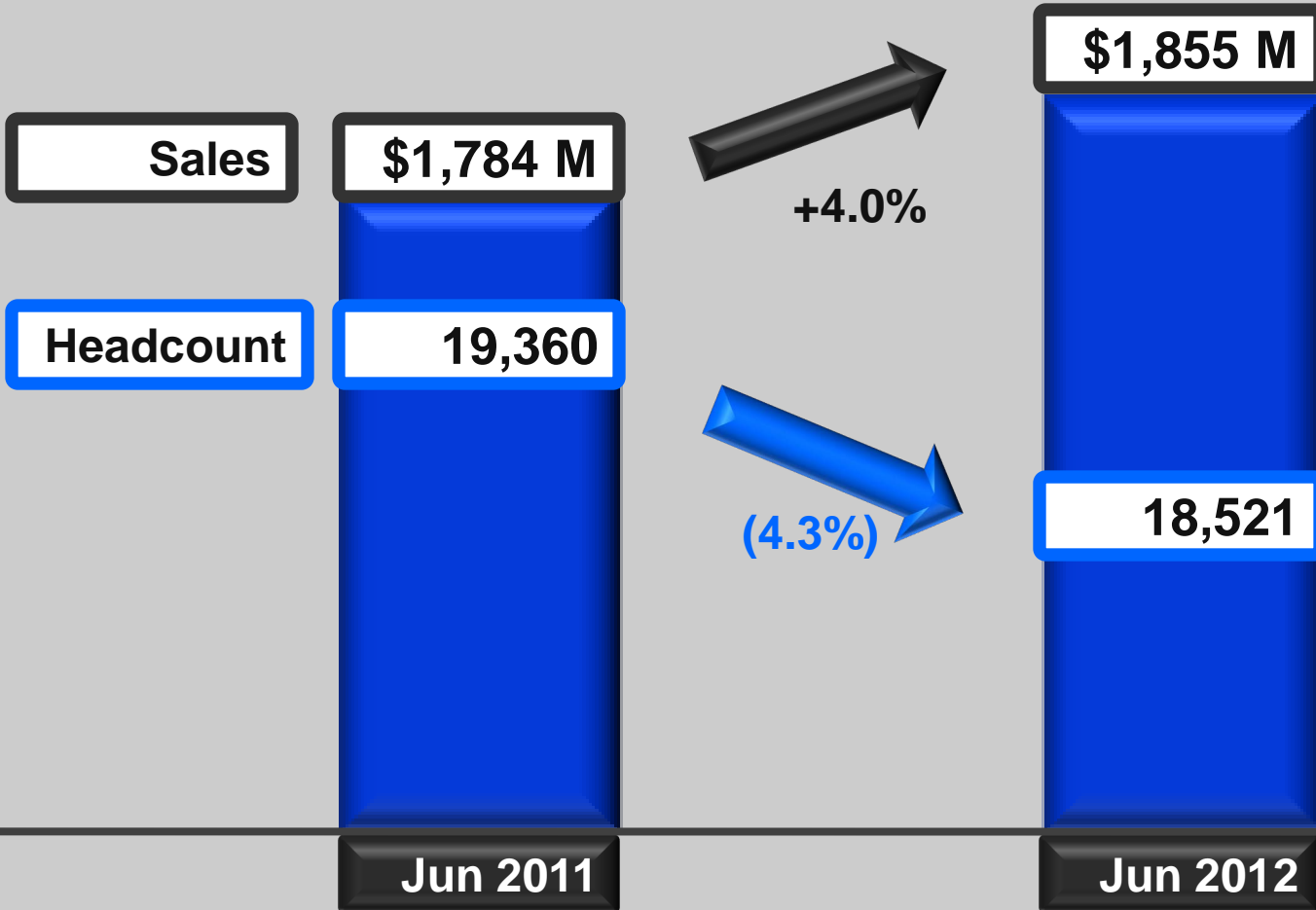


Free Cash Flow

<u>1H 2010</u>	<u>1H 2011</u>	<u>1H 2012</u>
-\$86M	+\$65M	+\$99M



Productivity Progress



1H Continuous Improvement

2009

2010

2011

2012

Gross Margin

+31.7%

+32.6%

+32.9%

+33.5%

EBIT

+4.5%

+5.3%

+6.4%

+6.8%

LDP – Campus Recruiting Program

190 Hired Worldwide - 2012

750 Hired - Since 2007

309 LDP's Promoted To Date

Engineering Leadership Development Program - Asia

Class of 2014



Name: Ren Ping
Gender: Male
Age: 22

School: Hubei University of Technology (HBUT)
Major: Mechanical Manufacture and Automation
Bachelor Degree

CPT NPD



Name: Deng Li
Gender: Female
Age: 22

School: Hubei University of Technology (HBUT)
Major: Mechanical Manufacture and Automation
Bachelor Degree

Mil OPM



Name: Liu Fu Chang
Gender: Male
Age: 22

School: South China Agricultural University (SCAU)
Major: Mechanical Automation
Bachelor Degree

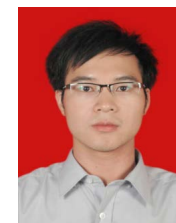
Motor AME



Name: Wang Bo
Gender: Male
Age: 23

School: Wuhan Jiangchan University (JCU)
Major: Mechanical Manufacture and Automation
Bachelor Degree

Mil PR/VE



Name: Huang Xiu Yin
Gender: Male
Age: 22

School: Guangdong Polytechnic Normal University (PNU)
Major: Mechanical Manufacture and Automation
Bachelor Degree

OEM

Milwaukee®



M18 FUEL™

DRIVEN TO OUTPERFORM.™

Milwaukee®

The Milwaukee logo is rendered in a white, stylized, cursive font. A large, white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right, passing under the word 'Milwaukee'.

REDLITHIUM™

Milwaukee[®]



M18[™]

REDLITHIUM[™]

Milwaukee®



M12™

Milwaukee®



M12™

REDLITHIUM™

Milwaukee[®]

The Milwaukee logo is rendered in a bold, white, italicized, sans-serif font. The letters are closely spaced and slanted upwards from left to right. A white lightning bolt graphic, consisting of a central horizontal line with two sharp, pointed ends, cuts through the lower portion of the text, extending from the left side of the 'M' towards the right side of the 'e'.

HAND TOOLS

Milwaukee®



M18 FUEL™

DRIVEN TO OUTPERFORM.™

RYOBI®

RYOBI®

 Lithium
18V

 18v ONE +
SYSTEM

RYOBI®

Lithium
18V

18v ONE **+**
SYSTEM

Lithium
24V

Lithium
40V

OUTDOOR PRODUCTS

HART®







®

