

**Powerful Brands**  
**Innovative Products**  
**Exceptional People**  
**Operational Excellence**



## 2011 Annual Results Presentation

March 23, 2012

**Frank Chan**

# 2011 Full Year Results

(US\$m)	<u>2010</u>	<u>2011</u>	<u>Change</u>
<b>Sales</b>	3,383	<b>3,667</b>	+8.4%
<b>GM%</b>	32.2%	<b>32.6%</b>	+0.4pt
<b>EBIT</b>	167	<b>218</b>	+30.6%
<i>% of sales</i>	<i>4.9%</i>	<i>5.9%</i>	
<b>Net Profit</b>	95	<b>151</b>	+59.0%
<i>% of sales</i>	<i>2.8%</i>	<i>4.1%</i>	
<b>EPS (cents)</b>	5.93	<b>9.39</b>	+58.4%

# 2011 Income Statement

(US\$m)	2010	2011	Change
<b>Total Revenue</b>	3,383	3,667	+8.4%
<b>Gross Margin</b>	1,089	1,194	+9.6%
<i>% of sales</i>	32.2%	32.6%	
Selling, distribution, advertising & warranty exp	481	510	+6.2%
Administrative expenses	366	405	+10.6%
Research & development cost	65	69	+7.0%
<b>Total SG&amp;A Expenses</b>	911	985	+8.0%
<i>% of sales</i>	26.9%	26.8%	
Finance Cost	74	63	(15.1%)
<b>Profit before Restructuring and Income Tax</b>	122	161	+31.0%
Restructuring Expenses	27	0	-
Income Tax Expenses	(0)	9	-
<b>Net Income before Minority Interest</b>	96	151	+57.6%
Minority Interest	(1)	(0)	(87.8%)
<b>Net Profit</b>	95	151	+59.0%
<i>% of sales</i>	2.8%	4.1%	

## 2011 Financial Position

(US\$m)	2010	2011	Change
Non-current Assets	1,352	1,394	+3.1%
Current Assets	1,914	1,976	+3.2%
Current Liabilities	1,423	1,603	+12.6%
Net Current Assets	491	373	(24.0%)
Long-term Liabilities	713	513	(28.1%)
Equity	1,115	1,246	+11.7%
<b>Gearing</b>	72.9%	59.3%	
<b>Interest Coverage (x)</b>	3.8x	5.4x	

## Proforma Debt to Equity Ratio After \$40m Converted January, 2012

(US\$m)	<u>Dec 2011</u>	<u>CB</u>	<u>Dec 2011 Proforma</u>
Net Debt	739	(40)	699
Equity	1,246	40	1,286
Debt-to-Equity Ratio	59.3%		54.4%

## Proforma Debt to Equity Ratio Assuming 100% Conversion

(US\$m)	<u>Dec 2011</u>	<u>CB</u>	<u>Dec 2011 Proforma</u>
Net Debt	739	(150)	589
Equity	1,246	150	1,396
Debt-to-Equity Ratio	59.3%		42.2%

## 2011 Dec Key Financial Figures

(US\$m)	2010	2011	Change
Inventory	\$645	\$704	+9.3%
<i>Days</i>	70	70	-
Trade Rec	\$580	\$607	+4.6%
<i>Days</i>	63	60	-3 days
Trade Payables	-\$483	-\$619	+28.1%
<i>Days</i>	52	62	+10 days
Net Working Capital	\$741	\$692	-6.6%
<b>% of Sales</b>	<b>21.9%</b>	<b>18.9%</b>	<b>-3.0pts</b>



## 2011 Debts with Fixed Maturity Profile

(US\$m)		<u>2010</u>		<u>2011</u>	<u>Change</u>
Cash Balance		513		460	(10.4%)
Short-term Debt - Fixed		0		164	-
Short-term Debt - Floating		312		112	(64.1%)
Short-term Debt Total	34%	312	41%	276	(11.5%)
Long-term Debt - Fixed		295		134	(54.8%)
Long-term Debt - Floating		298		263	(11.7%)
Long-term Debt Total	66%	593	59%	397	(33.1%)
Total Debt		905		673	(25.7%)
Floating Rate	67%	610	56%	375	(38.5%)
Fixed Rate	33%	295	44%	298	+0.8%

**Joe Galli**

# 2011 Full Year Results

(US\$m)	<u>2010</u>	<u>2011</u>	<u>Change</u>
Sales	\$3,383	\$3,667	+8.4.%
GM%	32.2%	32.6%	+0.4pt
SG&A%	26.9%	26.8%	(0.1pt)
EBIT	\$167	\$218	+30.6%
<i>% of sales</i>	<i>4.9%</i>	<i>5.9%</i>	<i>+1.0pt</i>

## 2011 Full Year Results

(US\$m)	<u>2010</u>	<u>2011</u>	<u>Change</u>
EBITDA	\$280	\$338	+20.5%
EBIT	\$167	\$218	+30.6%
Net Profit	\$95	\$151	+59.0%
EPS	5.93	9.39	+58.4%

# Working Capital

(US\$m)	2010	2011	Change
Inventory	\$645	\$704	+9.3%
<i>Days</i>	70	70	-
Trade Rec	\$580	\$607	+4.6%
<i>Days</i>	63	60	(3 days)
Trade Payables	-\$483	-\$619	+28.1%
<i>Days</i>	52	62	+10 days
Net Working Capital	\$741	\$692	(6.6%)
<b>% of Sales</b>	<b>21.9%</b>	<b>18.9%</b>	<b>(3.0pts)</b>



# Free Cash Flow

<u>2010</u>	<u>2011</u>	<u>Change</u>
(\$29m)	+\$149m	<b>+\$178m</b>

## 2011 Sales Growth

(US\$m)	<u>2010</u>	<u>2011</u>	<u>% Growth</u>
North America	\$2,461	\$2,648	+7.6%
ROW	\$922	\$1,019	+10.5%
Total	\$3,383	\$3,667	+8.4%



## Power Tool Market Share

<u>Region</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
US	↑	↑	↑
Canada	↑	↑	↑
EMEA	↑	↑	↑
ANZ	↑	↑	↑
LA	↑	↑	↑

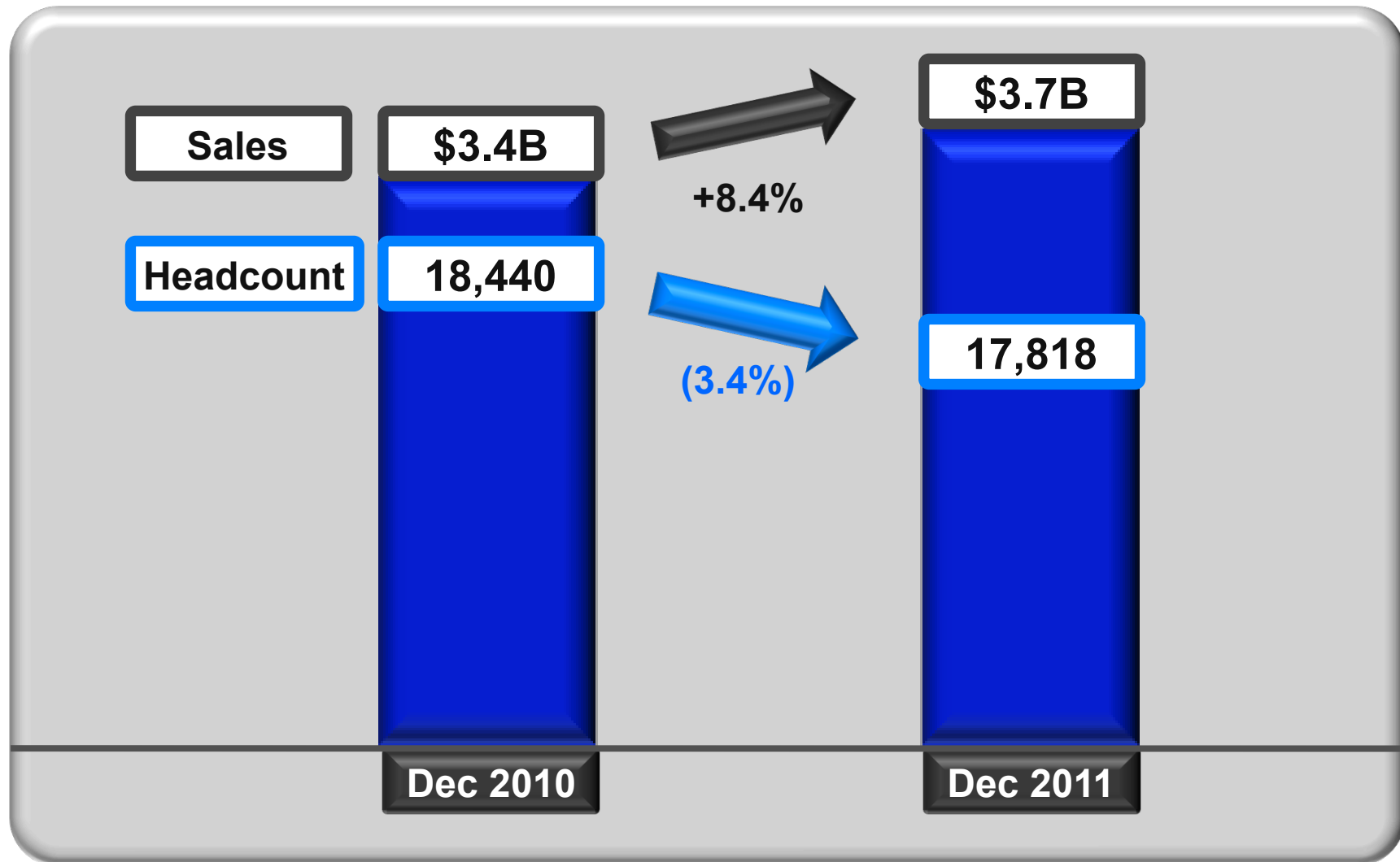




# INDUSTRIAL PARK



# Productivity Progress



Milwaukee®

The Milwaukee logo is rendered in a white, stylized, italicized font against a solid red background. The word "Milwaukee" is written in a bold, blocky script with sharp, pointed edges. A white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right, ending under the 'e'. A registered trademark symbol (®) is located at the top right of the word.

**Milwaukee<sup>®</sup>**



**M18<sup>™</sup>**

**REDLITHIUM<sup>™</sup>**

Milwaukee®



**M18** FUEL™

DRIVEN TO OUTPERFORM.™

Milwaukee®

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**M12**™

**Milwaukee<sup>®</sup>**

The Milwaukee logo is rendered in a white, stylized, italicized font against a red background. A white lightning bolt graphic is positioned below the text, extending from the left side towards the right.

**TEST & MEASUREMENT**

**Milwaukee<sup>®</sup>**

The Milwaukee logo is rendered in white on a red background. The word "Milwaukee" is written in a bold, italicized, sans-serif font. A white lightning bolt graphic, consisting of a central line with three jagged points, strikes from the bottom left towards the top right, passing behind the letters of the brand name.

**HAND TOOLS**



Milwaukee®

The Milwaukee logo is rendered in a white, stylized, italicized font against a solid red background. The word "Milwaukee" is written in a bold, blocky script with sharp, pointed edges. A white lightning bolt graphic, consisting of a thick, jagged line, strikes diagonally across the lower portion of the text, starting from the bottom left and extending towards the right.

**RYOBI**®

**RYOBI®**

**Lithium**  
**12V**

**RYOBI®**

**Lithium  
18V**

**18v ONE +  
SYSTEM**

# RYOBI®

 **Lithium**  
**18V**

 **ONE** **+**  
SYSTEM

**OUTDOOR PRODUCTS**

**RYOBI®**

**Lithium**  
**24V**

**RYOBI®**

**LITHIUM OUTDOOR**







®

