



2009

Interim Results Presentation

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Introduction

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2009 Interim Results

	2008 US\$m	2009 US\$m	<u>Changes</u>
Sales	1,684	1,454	(13.7%)
Gross Profit Margin%	31.5%	31.7%	
SG&A % of Sales	25.5%	27.5%	
EBIT	82	65	(20.9%)
EBITDA	128	116	(9.0%)
Net Profit	45	33	(27.3%)
EPS (US cents)	3.03	2.20	(27.3%)

2009 Interim Financial Position

	2008 1H <u>US\$m</u>	2008 FY <u>US\$m</u>	2009 1H <u>US\$m</u>
Non-current Assets	1,310	1,284	1,291
Current Assets	1,795	1,509	1,724
Current Liabilities	1,435	1,375	1,388
Net Current Assets	359	135	336
Long-term Liabilities	722	528	681
Shareholders' Funds	935	877	931
Current Ratio	1.3	1.1	1.2
Quick Ratio	0.7	0.7	0.8

2009 Debt Profile

	June 2008 US\$m	June 2009 US\$m	<u>Changes</u>
Cash	343	376	9.5%
Short-term Debt	362	213	(41.2%)
Short-term Debt - CB	-	13	
Long-term Debt - Fixed	341	340	0.0%
Long-term Debt - Floating	173	63	(63.5%)
Long-term Debt - CB	13	117	819.2%
Gearing	95.3%	85.0%	
Interest Coverage (x)	4.2x	4.1x	

Proforma Debt to Equity Ratio After Share Placement

(US\$m)	June 2009 (as reported)	<u>Share Placement</u>	<u>June 2009 (after placement)</u>
Total Net Debt	791	(76)	715
Equity	931	76	1,007
Debt to Equity Ratio	85%		71%

Proforma Debt to Equity Ratio Assuming CB converted and Warrant exercised

(US\$m)	June 2009 (after placement)	<u>CB</u>	<u>Warrant</u>	<u>June 2009</u> (proforma)
Total Net Debt	715	(150)	(37)	528
Equity	1,007	150	37	1,194
Debt to Equity Ratio	71%			44%

Joe Galli

CEO



2009 1st Half Results

 **Sales -13.7%**

Competitor A




-27.8%

Competitor B

-34.9%

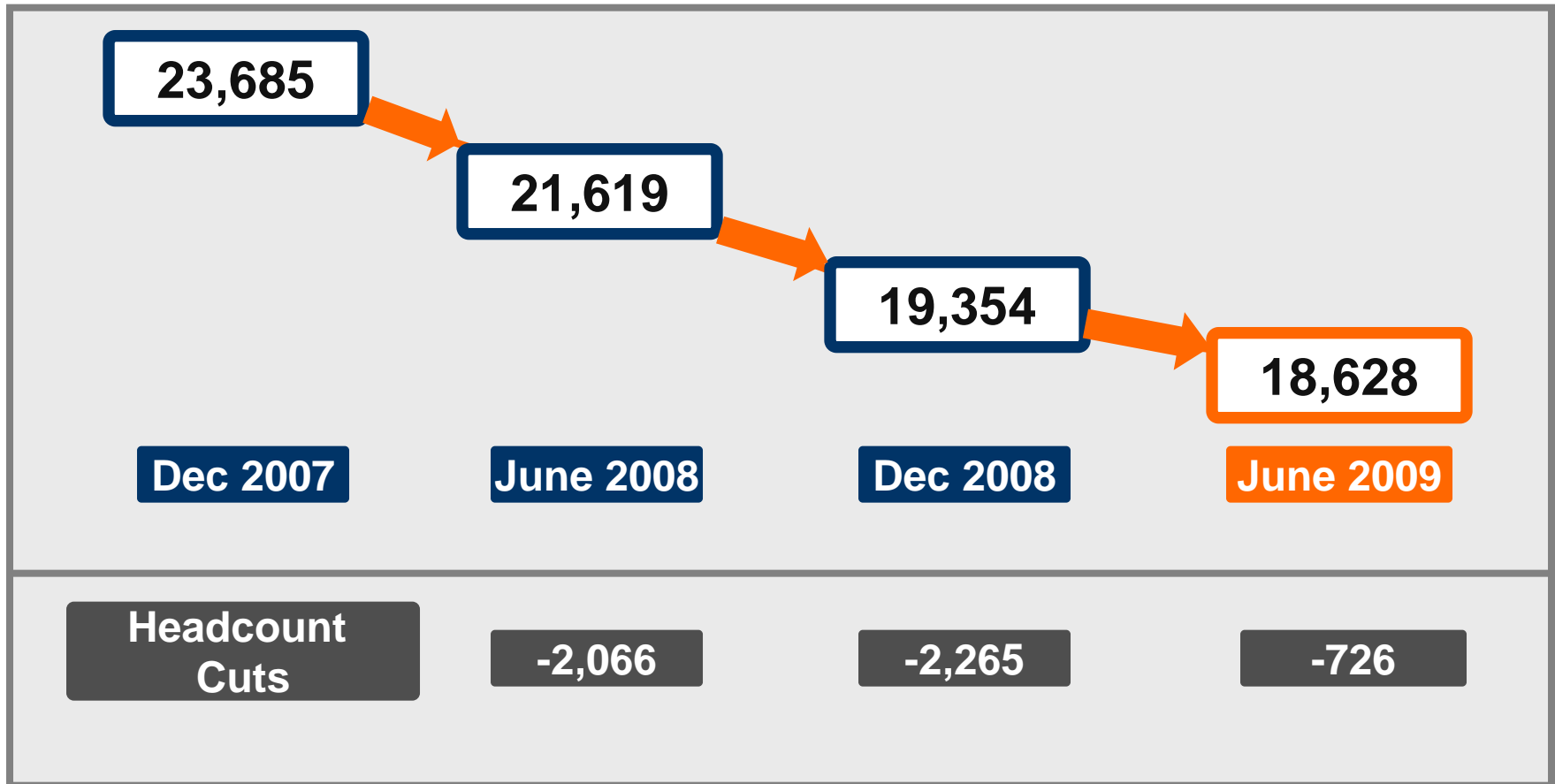


Vs Competition

		2008 1H	2009 1H	<u>Changes</u>
Sales	Comp. A	\$3,138m	\$2,265m	-27.8%
	Comp. B	\$1,742m	\$1,134m	-34.9%
		\$1,684m	\$1,454m	-13.7%
Gross Profit Margin%	Comp. A	33.6%	31.5%	-2.1pts
	Comp. B	41.6%	38.6%	-3.0pts
		31.5%	31.7%	+0.2pt
EBIT % <small>(After one time benefit, before restructuring and relocation costs)</small>	Comp. A	8.3%	4.8%	-3.5pts
	Comp. B	19.4%	9.8%	-9.6pts
		6.2%	4.5%	-1.7pts



Headcount Reduction



Total Reduction since Dec 2007: 5,057
21% Headcount Cut

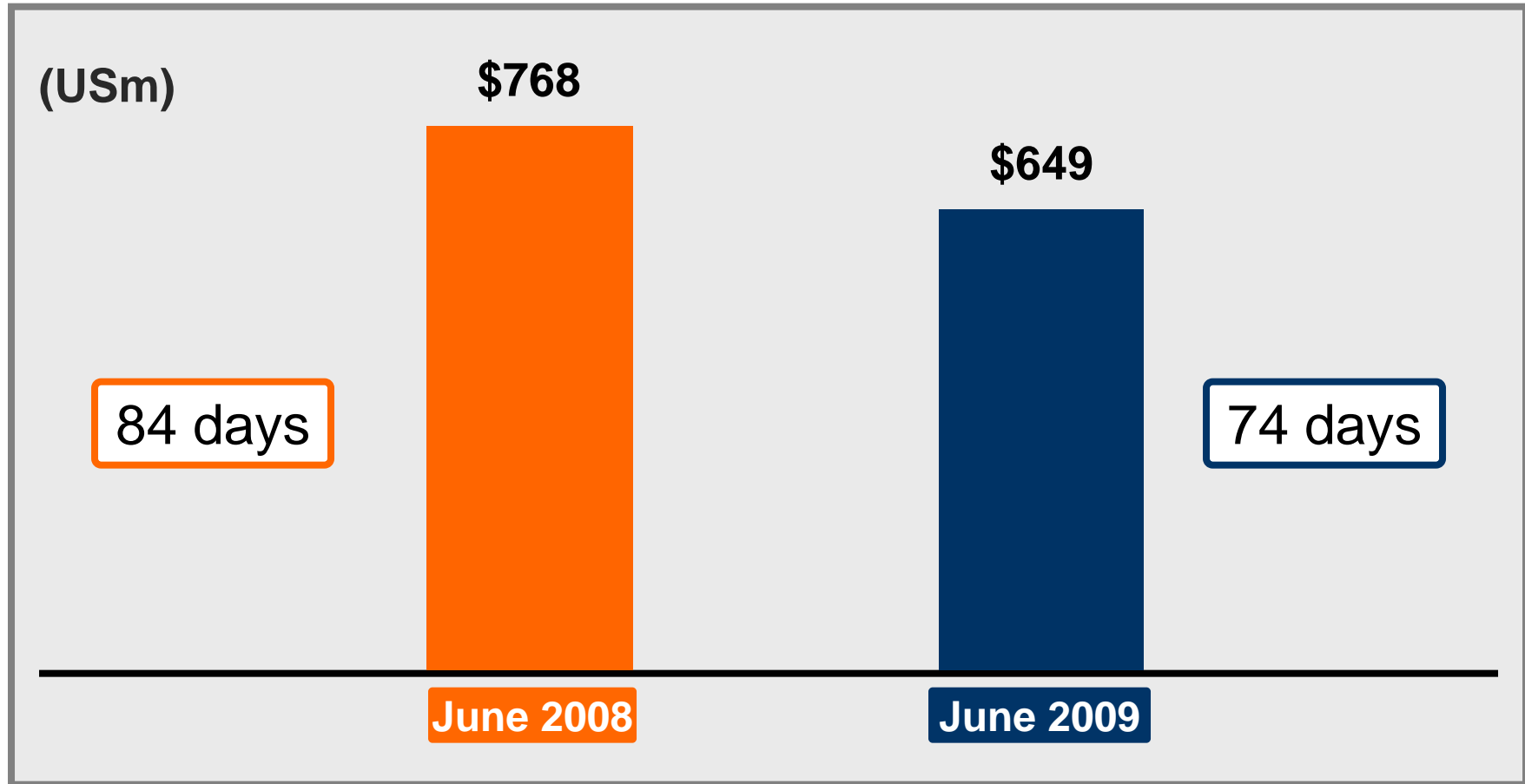




Focus

**Drive Free Cash
Flow**

2009 Inventory



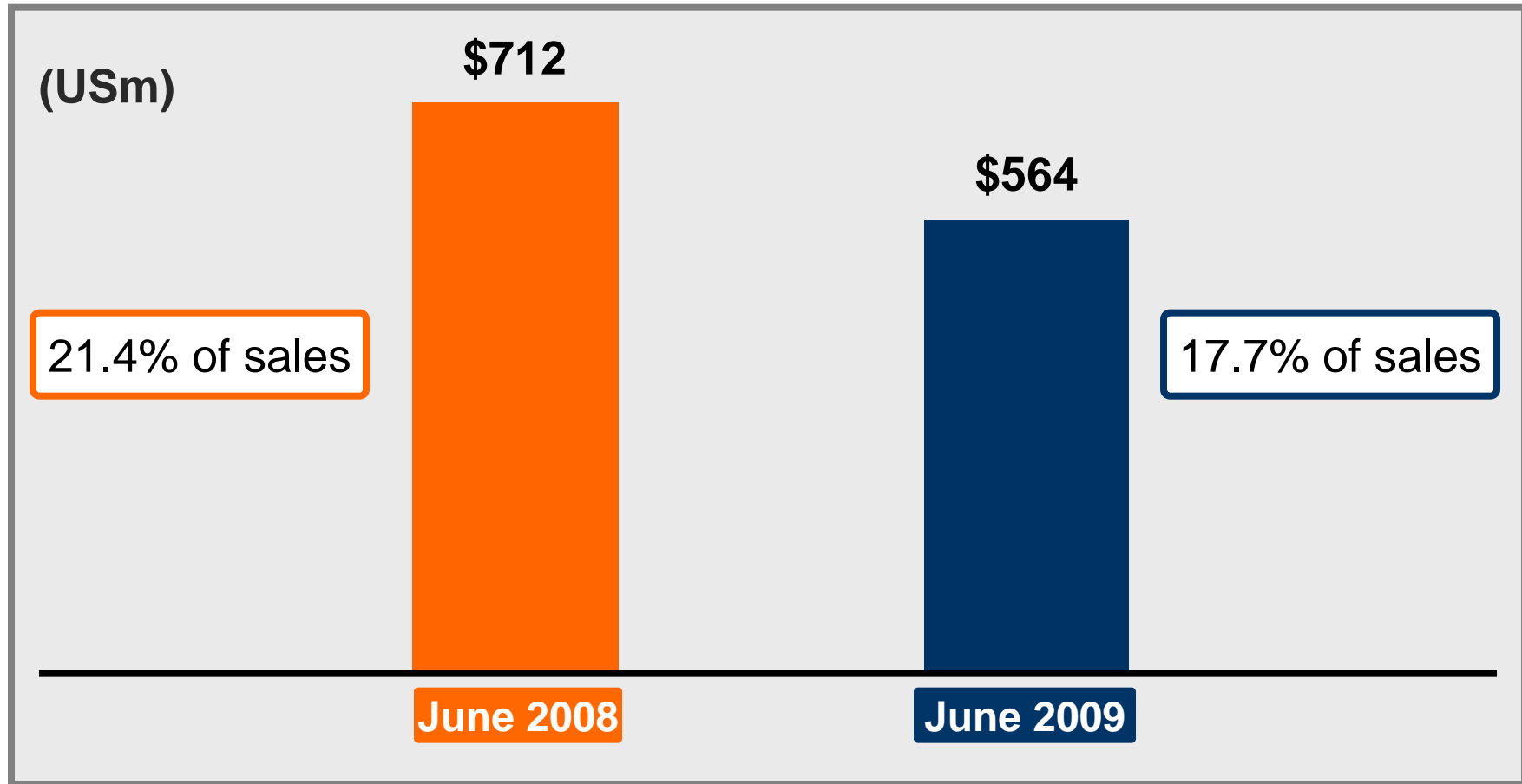
US\$119M decrease in Inventory

2009 Receivables and Payables

<u>Days</u>	<u>2008 1H</u>	<u>2009 1H</u>	<u>Improvement</u>
Receivables (DSO)	57	55	-2 days
Payables (DPO)	63	65	+2 days

Solid Progress

2009 Working Capital as a % of Sales



US\$148M decrease in Working Capital

2009 Working Capital as a % of Sales



TTI 17.7%

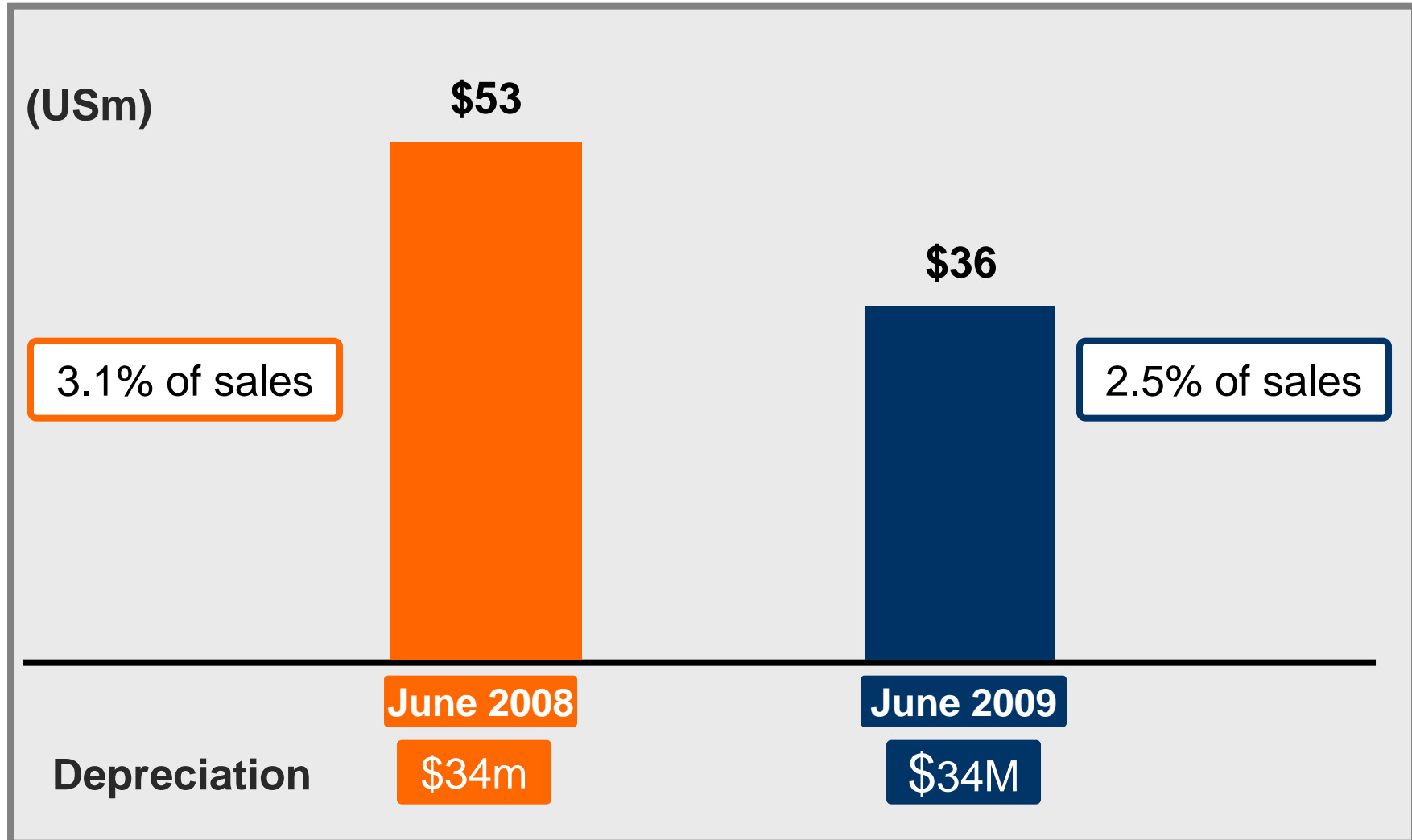
Competitor A

26.8%

Competitor B

52.2%

2009 CAPEX



US\$17M decrease in CAPEX

Challenging economic environment



Objective

Outgrow the Market



New Product



Milwaukee[®]

A white lightning bolt graphic with three sharp points, extending from the bottom left towards the top right, positioned behind the Milwaukee logo.

M12

A red lightning bolt graphic with three sharp points, extending from the bottom left towards the top right, positioned behind the M12 Lithium-Ion text.

LITHIUM-ION



**Test &
Measurement**

Milwaukee[®]

A white lightning bolt graphic that starts below the 'Milwaukee' text and extends downwards and to the left, crossing the top of the 'M18' logo box.

M18

A red lightning bolt graphic that starts at the bottom left of the 'M18' logo box and extends upwards and to the right, crossing the bottom of the 'LITHIUM-ION' text.

LITHIUM-ION



**Compact
Band Saws**

Milwaukee[®]



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IMPACT DUTY



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18V ONE

+
SYSTEM

RYOBI. TEK4
CORDLESS ELECTRONIC TOOLS

RYOBI®

Tile Saws

RYOBI®

Paint Systems

Outdoor Products

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CYCLE
Gas Power

Outdoor Accessories



®

T SERIES

TEAM



Team



Team



Team





Team







Team



New Milwaukee Distributor





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