

Powerful Brands
Innovative Products
Exceptional People
Operational Excellence



2012 Annual Results Presentation

March 22, 2013

Frank Chan

2012 Full Year Results

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
Sales	\$3,667	\$3,852	+5.1%
Gross Margin %	32.6%	33.5%	+0.9pts
EBIT	\$219	\$260	+18.6%
<i>% of sales</i>	<i>6.0%</i>	<i>6.8%</i>	
Net Profit	\$152	\$201	+32.2%
<i>% of sales</i>	<i>4.1%</i>	<i>5.2%</i>	
EPS (cents)	9.47¢	11.42¢	+20.6%

2012 Income Statement

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
Sales	\$3,667	\$3,852	+5.1%
Gross Margin	\$1,194	\$1,289	+8.0%
<i>% of sales</i>	<i>32.6%</i>	<i>33.5%</i>	
Selling, Distribution, & Advertising	\$510	\$533	+4.3%
Administrative Expenses	\$404	\$421	+4.3%
Research & Development	\$69	\$80	+15.0%
Total SG&A Expenses	\$983	\$1,033	+5.1%
<i>% of sales</i>	<i>26.8%</i>	<i>26.8%</i>	
Finance Cost	\$63	\$46	-27.7%
Profit before Income Tax	\$161	\$222	+37.7%
Income Tax Expenses	\$9	\$22	+139.5%
Net Profit	\$152	\$201	+32.2%
<i>% of sales</i>	<i>4.1%</i>	<i>5.2%</i>	

2012 Financial Position

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
Non-current Assets	\$1,394	\$1,443	+3.6%
Current Assets	\$1,976	\$2,138	+8.2%
Current Liabilities	\$1,603	\$1,563	-2.5%
Net Current Assets	\$373	\$575	+54.1%
Long-term Liabilities	\$513	\$462	-9.9%
Equity	\$1,246	\$1,549	+24.4%
Interest Coverage (x)	5.5x	8.7x	

2012 Gearing Ratio

(Net Debt / Equity)

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Gearing	72.9%	59.3%	25.8%

2012 Key Financial Figures

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
Inventory	\$704	\$689	
<i>Days</i>	70	65	-5 days
Receivables	\$607	\$645	
<i>Days</i>	60	61	+1 day
Payables	(\$619)	(\$710)	
<i>Days</i>	62	67	+5 days
Net Working Capital	\$692	\$623	
<i>% of Sales</i>	18.9%	16.2%	-2.7pts
Cash Balance	\$460	\$618	+34.4%
CAPEX	\$95	\$103	+7.9%

2012 Debt Profile

(US\$ m)		<u>2011</u>		<u>2012</u>	<u>Change</u>
Cash Balance		\$460		\$618	+34.4%
ST Debt	41%	\$276	40%	\$231	-16.5%
LT Debt	59%	\$397	60%	\$348	-12.3%
Debt with Fixed Maturities		\$673		\$579	-14.0%
Working Capital Financing		\$525		\$438	-16.6%
Floating Rate	56%	\$375	77%	\$445	+18.6%
Fixed Rate	44%	\$298	23%	\$134	-55.1%

Joe Galli

2012 Full Year Results

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
Sales	\$3,667	\$3,852	+5.1%
GM %	32.6%	33.5%	+0.9pts
SG&A %	26.8%	26.8%	+0.0pts
EBIT	\$219	\$260	+18.6%
<i>% of sales</i>	<i>6.0%</i>	<i>6.8%</i>	<i>+0.8pts</i>

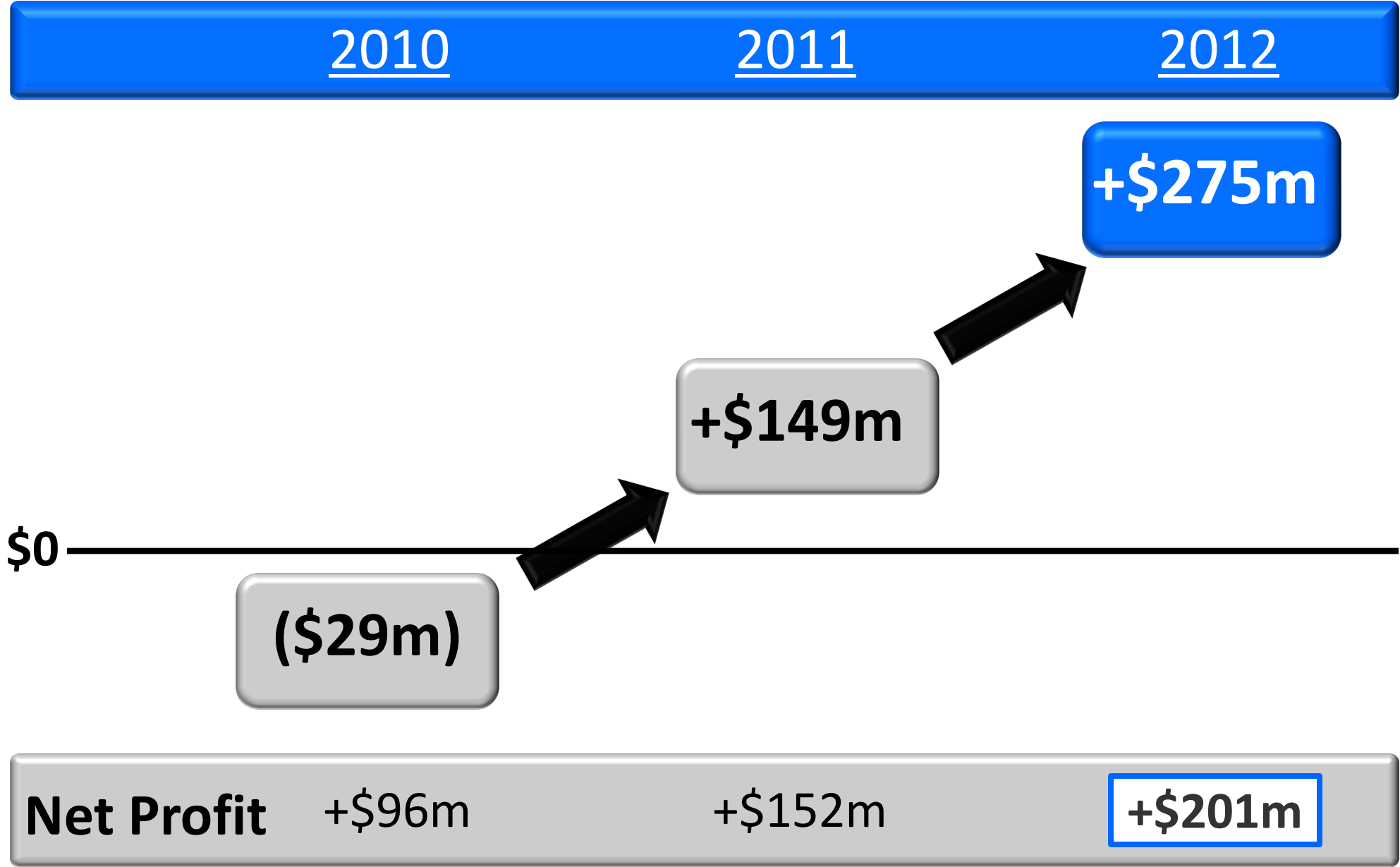
2012 Full Year Results

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
EBIT	\$219	\$260	+18.6%
Net Profit	\$152	\$201	+32.2%
EPS (cents)	9.47¢	11.42¢	+20.6%

2012 Working Capital

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<i>Days</i>	<i>70</i>	<i>65</i>	<i>-5 days</i>
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Payables	(\$619)	(\$710)	
<i>Days</i>	<i>62</i>	<i>67</i>	<i>+5 days</i>
Net Working Capital	\$692	\$623	-10.0%
WC % of Sales	18.9%	16.2%	-2.7pts

Free Cash Flow Improvement



2012 Full Year Sales Growth

(US\$ m)	<u>2011</u>	<u>2012</u>	<u>Change</u>
North America	\$2,648	\$2,807	+6.0%
ROW	\$1,019	\$1,046	+2.6%
Total	\$3,667	\$3,852	+5.1%



Power Tool Market Share

<u>Region</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
US	↑	↑	↑	↑
Canada	↑	↑	↑	↑
EMEA	↑	↑	↑	↑
ANZ	↑	↑	↑	↑
LA	↑	↑	↑	↑

Productivity Progress

	<u>Dec 2011</u>	<u>Dec 2012</u>	<u>Change</u>
Sales	\$3,667	\$3,852	+5.1%
Headcount	17,818	18,068	+1.4%

4 Year Overview

(US \$m)	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013 Bud</u>
Sales	\$3,383	\$3,667	\$3,852	\$4,176
GM %	32.2%	32.6%	33.5%	34.0%
EBIT	\$168	\$219	\$260	\$300
<i>% of sales</i>	<i>5.0%</i>	<i>6.0%</i>	<i>6.8%</i>	<i>7.2%</i>
Net Profit	\$96	\$152	\$201	\$231
<i>% of sales</i>	<i>2.8%</i>	<i>4.1%</i>	<i>5.2%</i>	<i>5.5%</i>
EPS (cents)	5.97¢	9.47¢	11.42¢	13.14¢

2013

Milwaukee[®]

The Milwaukee logo is rendered in a white, stylized, slanted font against a solid red background. The word "Milwaukee" is written in a bold, cursive-like typeface 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, passing under the 'w' and 'a'.

Milwaukee®



M12 FUEL™

DRIVEN TO OUTPERFORM.™

Milwaukee®



M12™

Milwaukee®



M12™

REDLITHIUM™

Milwaukee®



M18™

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'.

M18™

REDLITHIUM™

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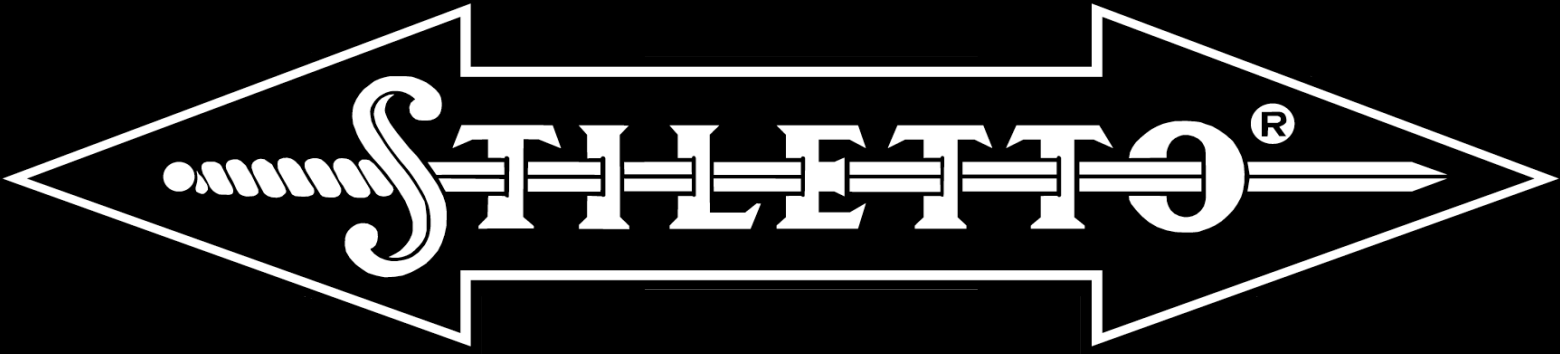
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ACCESSORIES

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HAND TOOLS



HART®

RIDGID[®]



AEG

POWERTOOLS

RYOBI®

 **Lithium**
18V

 **ONE** **+**
SYSTEM

POWER EQUIPMENT

RYOBI®

Lithium
18V

18v ONE **+**
SYSTEM

Lithium
24V

Lithium
40V

OUTDOOR PRODUCTS

Milwaukee®

The Milwaukee logo is rendered in a white, stylized, italicized font against a 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, passing under the 'w' and 'a'.







®

**Dirt
Devil®**



