



17 March 2016

ASX Announcement
Tamawood Investor Presentation

Sydney and Melbourne Australia, 17 & 18 March 2016 – Tamawood Limited (ASX: TWD) is pleased to release a copy of the presentation that Mr Robert Lynch, Chairman will deliver to investors on 17 & 18 March 2016.

Geoff Acton
Company Secretary



Tamawood Limited Investor Presentation

March 2016





**Chairman
Robert Lynch**



**Managing Director
Tim Bartholomaeus**



**Non-Executive Director
Lev Mizikovsky**



**Non-Executive Director
Andrew Thomas**



**Non-Executive Director
Rade Dudurovic**

**Company Secretary
Geoff Acton**

**Franchisee Manager
Peter Souter-Robertson**

**General Manager Dixon
Paul Hogan**



- ✓ Dividend guidance for FY16 of total 25 cents fully franked (2015: total 25 cents fully franked).
- ✓ Tamawood delivers on 10 cent fully franked interim dividend payable on 02/06/16.
- ✓ Net Profit after Tax for 1HFY16 of \$3.348 million, an increase of 4.30% on 1H FY15.
- ✓ EPS of 13.10 cents 1H FY16 (1H FY15: 12.56 cents).
- ✓ Sales momentum in South East Queensland continues in 2H FY16 with 30% increase with no material increase expected to fixed overheads.
- ✓ The managing director in conjunction with department managers have undertaking a review of the sales presentation and staff training throughout the business in the 1H FY16. The return to a structured sales presentation combined with the restructure of the sales team and renewed focus on customer relationships has resulted in an increase in sales conversion since November 2015.
- ✓ Strong balance sheet with no debt.
- ✓ Regional expansion with 5 new areas in NSW to be run by Brisbane and Sydney head offices.



South East Queensland	• 30% plus increase in sales largely due to sales presentation review. • 466 sales to the 11/03/2016 for FY16 • New regional office to be opened in Warwick.
Franchise Operations	• Two Victorian franchises signed, Mildura + Gippsland in 1H FY2016. • A further proposed 4 new franchises expected by end 2H FY16.
NSW	• Sydney head office completed and opened. • 2 new regional offices opened. • 3 new regional offices to be opened in 2016 calendar year.
Strong Balance Sheet	• NTA of \$8.3 million. • 0% gearing.
Dividend Policy	• Guidance of fully franked total dividend 25 cents for FY16.
Board Composition	• Over 100 years of building experience on the Board.



	1H FY16 (\$m)	1H FY15 (\$m)
Revenue	46.9	49.8
Net Profit before Tax ^①	4.6	4.8
Tax	(1.4)	(1.6)
Profit after Tax Attributable to Members with no controlling interest	3.2	3.2
EPS	13.10 cents	12.56 cents

① Net profit before tax includes \$850K from the successful resolution of a legal dispute less legal fees of \$62K expensed in 1H FY16.



BALANCE SHEET	1H FY16 (\$m)	1H FY15 (\$m)
Assets		
Cash	1.8	2.7
Receivables	3.2	4.5
Inventories	11.7	8.7
Other	1.4	1
Total Assets	18.1	16.9
Liabilities		
Trade and Other Payables	5.2	5.4
Other	4.6	3.4
Total Liabilities	9.8	8.8
Net Assets	8.3	8.1



PERFORMANCE	1HFY14	2HFY14	1HFY15	2HFY15	FY16 to 11/03/2016
Sales South East Queensland*	171	213	226	225	466
NSW*	1	23	56	71	16
Sales Franchise*	122	135	130	119	100
*NOTE. Sales figures quoted may change due to - Bank Finance Approvals - Local Authority Approvals - Client Cooling Off Period - Any Other Contractual Requirements					

PERFORMANCE	1HFY14	2HFY14	1HFY15	2HFY15	1H FY16
Construction Revenue (\$m)	29	36	44	44	44
Revenue Other (\$m)	10	6	5	2	3
Gross Profit (\$m)	2.7	4.6	4.8	4.6	4.6
Profit before Tax as % of Revenue	7%	10%	9%	10%	10%



HIA OUTLOOK - Housing Starts - Thousand Starts*

		Forecast Houses (,000)	Change (%)
Queensland	2014	20.59 (a)	11%
	2015	22.26	8%
	2016	23.90	7%
	2017	24.29	2%
New South Wales	2014	23.13 (a)	21%
	2015	25.45	10%
	2016	23.41	-8%
	2017	18.46	-21%

*Statistics have been obtained from HIA

*Issued February 2016

(a) - Actual



1H FY16 (\$,000)

Cash Flows From Operating Activities

Cash generated from operating activities

Receipts from customers (inc. GST)	52,880
Payments to suppliers and employees (inc. GST)	(49,639)
Interest received	91
Interest paid	-
Income tax paid	(968)

Net cash (outflow)/inflow from operating activities **2,364**

Cash Flows From Investing Activities

Payment for PPE	(86)
Proceeds from sale of PPE	3
Proceeds from disposal of interest in subsidiary	
Loans to related parties - proceeds from repayments	

Net cash (outflow)/inflow from investing activities **(83)**

Cash Flows From Financing Activities

Dividends paid by entity	(3,834)
--------------------------	---------

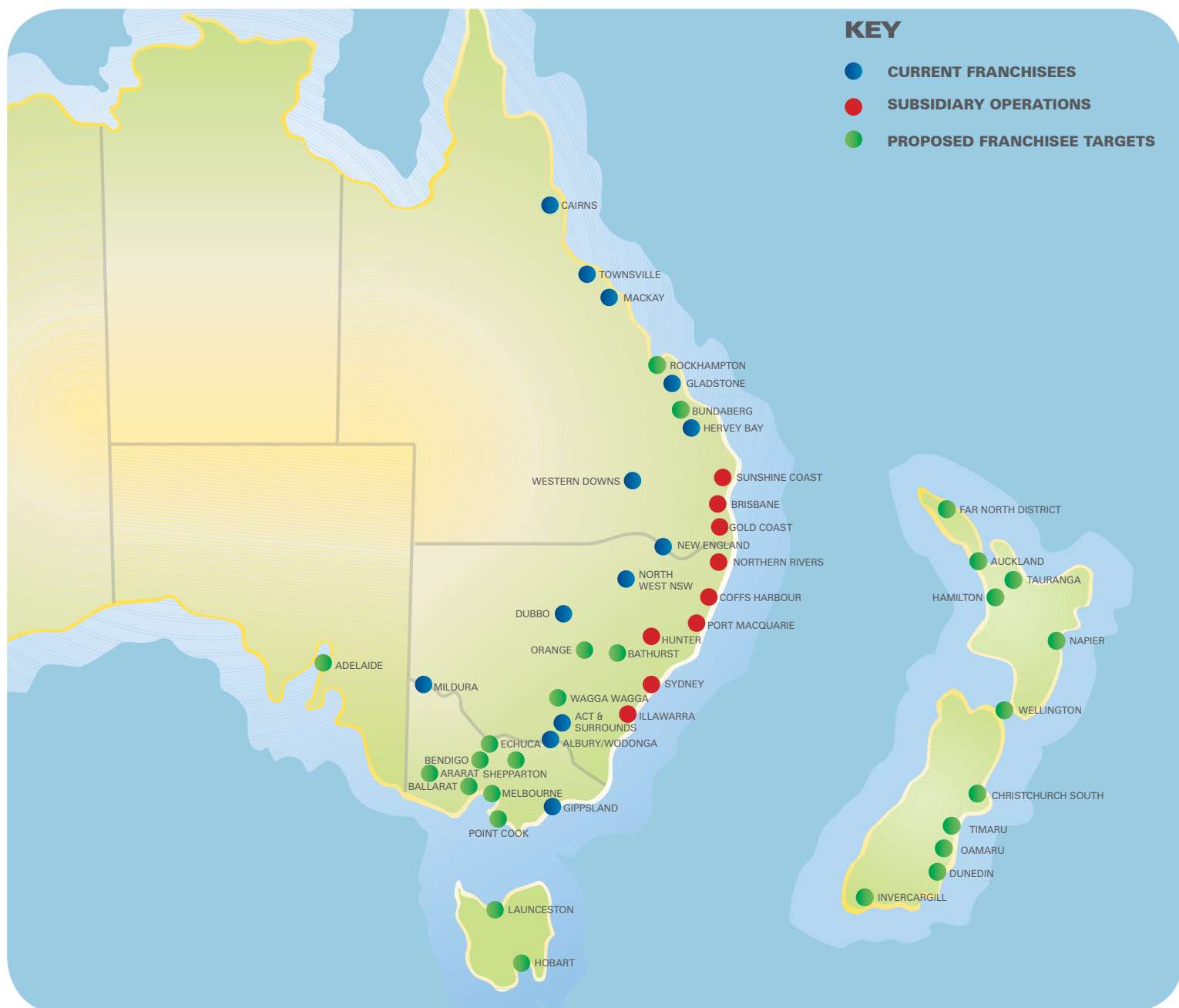
Net cash (outflow)/inflow from financing activities **(3,834)**

Net (decrease)/increase in cash and cash equivalents **(1,553)**

Cash and cash equivalents at the end of the FY14 **3,366**

Cash and cash equivalents at the end of the FY15 **1,813**





**New In
1H FY16**

Mildura
Gippsland

MORE4LESS SINCE 1959

10



What are the barriers to entry?

- The technology platform of Dixon Homes, bundled with its growing franchisee network.
- Long standing Dixon Homes brand.

Who are the suppliers?

- Material suppliers are the tier-1 players, such as CSR, Hanson, etc.
- Emphasis is on standardised, bulk purchasing to improve buying power.
- Building workforce are typically contracted, have been with Dixon Homes over the long term.

Who are the competitors?

- All builders – both large and small.
- Detached home builders market is highly fragmented, with the top 100 builders working on only 44% of current annual housing starts.
- This figure is expected to increase over time as smaller builders struggle for capital.

MORE4LESS SINCE 1959
DIXONHOMES
www.dixonhomes.com.au



SOUTH EAST QUEENSLAND

1821 Ipswich Road, Rocklea QLD 4106



992 Gympie Road, Chermside QLD 4032

4424 Warrego Highway, Plainlands QLD 4341

1/50 Lawrence Drive, Nerang QLD 4211

12a 189 Anzac Ave, Harristown QLD 4350

684 Nicklin Way, Currimundi QLD 4551

2/5 River Road, Gympie QLD 4570

Unit 4/ 19 Tamborine St, Jimboomba QLD 4280

14/ 39 Old Cleveland Rd, Capalaba QLD 4157

NSW

178 Pacific Highway, Coffs Harbour NSW 2450

2/10 Kerr St, Ballina NSW 2478

Unit 3/142 James Ruse Drive, Rosehill NSW 2142



Franchisees - QLD

CAIRNS
172-174 Mulgrave Rd, Wescourt, QLD 4870

TOWNSVILLE
L536 Featherwood Street, Mount Low, QLD 4818

MACKAY
19c Juliet St, Mackay, QLD 4740

GLADSTONE
Shop 7/97 Hampton Dr, Tannum Sands, QLD 4680
Display 16 Tulipwood Circuit, Boyne Island, QLD 4680

HERVEY BAY
42 Watson St, Pialba, QLD 4655

WESTERN DOWNS
Unit 7/17 Enterprise St, Toowoomba, QLD 4350

NEW ENGLAND
49 Roger St, Stanthorpe, QLD 4380

Franchisees - VICTORIA

ALBURY WODONGA
14 Bassett St, Wodonga, VIC 3690

GIPPSLAND
6 Roberts Rd, Churchill, VIC 3842

MILDURA
To Be Established

Franchisees - NSW

NORTH-WEST NSW
46 Ring St, Inverell, NSW 2360

DUBBO
Shop 34a Victotia St, Dubbo, NSW 2830

Franchisee - ACT

ACT & SURROUNDS
Unit 8/289 Canberra Ave, Fyshwick, ACT 2609



Management of Tamawood Limited (ABN 56 010 954 499) and its subsidiaries (collectively 'Tamawood') has made every effort to ensure the accuracy of information contained in this presentation.

The presentation has been prepared based on information available prior to the date of this presentation.

No responsibility or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation.

To the maximum extent permitted by law, none of Tamawood, its related bodies corporate or any of its directors, employees, agents or advisers accept any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability arising from fault or negligence on the part of Tamawood, its related bodies corporate or any of its directors, employees, agents or advisers.

The material contained in this presentation is for information purposes only and does not constitute financial product advice.

The information contained in this presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. Before making any investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Nothing in this presentation is a promise or representation as to the future.

Statements or assumptions in this presentation as to future matters may prove to be incorrect and the differences may be material.

